2017

SESSION LAWS

OF THE

STATE OF WASHINGTON

2017 THIRD SPECIAL SESSION SIXTY-FIFTH LEGISLATURE

Convened June 21, 2017. Adjourned July 20, 2017.



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WASHINGTON SESSION LAWS GENERAL INFORMATION

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

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

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

3. PARTIAL VETOES.

- (a) Vetoed matter is *printed in bold italics*.
- (b) Pertinent excerpts of the governor's explanation of partial vetoes are printed at the end of the chapter concerned.
- 4. EDITORIAL CORRECTIONS. Words and clauses inserted in the session laws under the authority of RCW 44.20.060 are enclosed in [brackets].
- 5. EFFECTIVE DATE OF LAWS.
 - (a) The state Constitution provides that unless otherwise qualified, the laws of any session take effect ninety days after adjournment sine die. The Secretary of State has determined the effective date for the Laws of the 2017 third special session is October 19, 2017.
 - (b) Laws that carry an emergency clause take effect immediately, or as otherwise specified, upon approval by the Governor.
 - (c) Laws that prescribe an effective date take effect upon that date.
- 6. INDEX AND TABLES.

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

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CHAPTER 2

[House Bill 1140]

JUDICIAL STABILIZATION TRUST ACCOUNT--COURT FILING FEE SURCHARGE--EXPIRATION

AN ACT Relating to judicial stabilization trust account surcharges; amending RCW 3.62.060, 36.18.018, and 36.18.020; providing an effective date; and declaring an emergency.

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

Sec. 1. RCW 3.62.060 and 2013 2nd sp.s. c 7 s 1 are each amended to read as follows:

(1) Clerks of the district courts shall collect the following fees for their official services:

(a) In any civil action commenced before or transferred to a district court, the plaintiff shall, at the time of such commencement or transfer, pay to such court a filing fee of forty-three dollars plus any surcharge authorized by RCW 7.75.035. Any party filing a counterclaim, cross-claim, or third-party claim in such action shall pay to the court a filing fee of forty-three dollars plus any surcharge authorized by RCW 7.75.035. No party shall be compelled to pay to the court any other fees or charges up to and including the rendition of judgment in the action other than those listed.

(b) For issuing a writ of garnishment or other writ, or for filing an attorney issued writ of garnishment, a fee of twelve dollars.

(c) For filing a supplemental proceeding a fee of twenty dollars.

(d) For demanding a jury in a civil case a fee of one hundred twenty-five dollars to be paid by the person demanding a jury.

(e) For preparing a transcript of a judgment a fee of twenty dollars.

(f) For certifying any document on file or of record in the clerk's office a fee of five dollars.

(g) At the option of the district court:

(i) For preparing a certified copy of an instrument on file or of record in the clerk's office, for the first page or portion of the first page, a fee of five dollars, and for each additional page or portion of a page, a fee of one dollar;

(ii) For authenticating or exemplifying an instrument, a fee of two dollars for each additional seal affixed;

(iii) For preparing a copy of an instrument on file or of record in the clerk's office without a seal, a fee of fifty cents per page;

(iv) When copying a document without a seal or file that is in an electronic format, a fee of twenty-five cents per page;

(v) For copies made on a compact disc, an additional fee of twenty dollars for each compact disc.

(h) For preparing the record of a case for appeal to superior court a fee of forty dollars including any costs of tape duplication as governed by the rules of appeal for courts of limited jurisdiction (RALJ).

(i) At the option of the district court, for clerk's services such as processing ex parte orders, performing historical searches, compiling statistical reports, and conducting exceptional record searches, a fee not to exceed twenty dollars per hour or portion of an hour.

(j) For duplication of part or all of the electronic recording of a proceeding ten dollars per tape or other electronic storage medium.

Ch. 2

(k) For filing any abstract of judgment or transcript of judgment from a municipal court or municipal department of a district court organized under the laws of this state a fee of forty-three dollars.

(1) At the option of the district court, a service fee of up to three dollars for the first page and one dollar for each additional page for receiving faxed documents, pursuant to Washington state rules of court, general rule 17.

(2)(a) Until July 1, ((2017)) <u>2021</u>, in addition to the fees required to be collected under this section, clerks of the district courts must collect a surcharge of thirty dollars on all fees required to be collected under subsection (1)(a) of this section.

(b) Seventy-five percent of each surcharge collected under this subsection (2) must be remitted to the state treasurer for deposit in the judicial stabilization trust account.

(c) Twenty-five percent of each surcharge collected under this subsection (2) must be retained by the county.

(3) The fees or charges imposed under this section shall be allowed as court costs whenever a judgment for costs is awarded.

Sec. 2. RCW 36.18.018 and 2013 2nd sp.s. c 7 s 2 are each amended to read as follows:

(1) State revenue collected by county clerks under subsection (2) of this section must be transmitted to the appropriate state court. The administrative office of the courts shall retain fees collected under subsection (3) of this section.

(2) For appellate review under RAP 5.1(b), two hundred fifty dollars must be charged.

(3) For all copies and reports produced by the administrative office of the courts as permitted under RCW 2.68.020 and supreme court policy, a variable fee must be charged.

(4) Until July 1, (($\frac{2017}{}$)) $\frac{2021}{}$, in addition to the fee established under subsection (2) of this section, a surcharge of forty dollars is established for appellate review. The county clerk shall transmit seventy-five percent of this surcharge to the state treasurer for deposit in the judicial stabilization trust account and twenty-five percent must be retained by the county.

Sec. 3. RCW 36.18.020 and 2015 c 265 s 28 are each amended to read as follows:

(1) Revenue collected under this section is subject to division with the state under RCW 36.18.025 and with the county or regional law library fund under RCW 27.24.070, except as provided in subsection (5) of this section.

(2) Clerks of superior courts shall collect the following fees for their official services:

(a) In addition to any other fee required by law, the party filing the first or initial document in any civil action, including, but not limited to an action for restitution, adoption, or change of name, and any party filing a counterclaim, cross-claim, or third-party claim in any such civil action, shall pay, at the time the document is filed, a fee of two hundred dollars except, in an unlawful detainer action under chapter 59.18 or 59.20 RCW for which the plaintiff shall pay a case initiating filing fee of forty-five dollars, or in proceedings filed under RCW 28A.225.030 alleging a violation of the compulsory attendance laws where the petitioner shall not pay a filing fee. The forty-five dollar filing fee

under this subsection for an unlawful detainer action shall not include an order to show cause or any other order or judgment except a default order or default judgment in an unlawful detainer action.

(b) Any party, except a defendant in a criminal case, filing the first or initial document on an appeal from a court of limited jurisdiction or any party on any civil appeal, shall pay, when the document is filed, a fee of two hundred dollars.

(c) For filing of a petition for judicial review as required under RCW 34.05.514 a filing fee of two hundred dollars.

(d) For filing of a petition for unlawful harassment under RCW 10.14.040 a filing fee of fifty-three dollars.

(e) For filing the notice of debt due for the compensation of a crime victim under RCW 7.68.120(2)(a) a fee of two hundred dollars.

(f) In probate proceedings, the party instituting such proceedings, shall pay at the time of filing the first document therein, a fee of two hundred dollars.

(g) For filing any petition to contest a will admitted to probate or a petition to admit a will which has been rejected, or a petition objecting to a written agreement or memorandum as provided in RCW 11.96A.220, there shall be paid a fee of two hundred dollars.

(h) Upon conviction or plea of guilty, upon failure to prosecute an appeal from a court of limited jurisdiction as provided by law, or upon affirmance of a conviction by a court of limited jurisdiction, an adult defendant in a criminal case shall be liable for a fee of two hundred dollars.

(i) With the exception of demands for jury hereafter made and garnishments hereafter issued, civil actions and probate proceedings filed prior to midnight, July 1, 1972, shall be completed and governed by the fee schedule in effect as of January 1, 1972. However, no fee shall be assessed if an order of dismissal on the clerk's record be filed as provided by rule of the supreme court.

(3) No fee shall be collected when a petition for relinquishment of parental rights is filed pursuant to RCW 26.33.080 or for forms and instructional brochures provided under RCW 26.50.030.

(4) No fee shall be collected when an abstract of judgment is filed by the county clerk of another county for the purposes of collection of legal financial obligations.

(5)(a) Until July 1, ((2017)) 2021, in addition to the fees required to be collected under this section, clerks of the superior courts must collect surcharges as provided in this subsection (5) of which seventy-five percent must be remitted to the state treasurer for deposit in the judicial stabilization trust account and twenty-five percent must be retained by the county.

(b) On filing fees required to be collected under subsection (2)(b) of this section, a surcharge of thirty dollars must be collected.

(c) On all filing fees required to be collected under this section, except for fees required under subsection (2)(b), (d), and (h) of this section, a surcharge of forty dollars must be collected.

<u>NEW SECTION.</u> Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2017.

Passed by the House June 29, 2017. Passed by the Senate June 30, 2017. Approved by the Governor June 30, 2017. Filed in Office of Secretary of State July 3, 2017.

CHAPTER 3

[Engrossed Substitute Senate Bill 5947]

COLUMBIA RIVER SALMON AND STEELHEAD ENDORSEMENT PROGRAM--

EXPIRATION--LAND ACQUISITION

AN ACT Relating to the Columbia river salmon and steelhead endorsement program; amending RCW 77.12.712; amending 2016 c 223 ss 7, 8, and 9 (uncodified); and declaring an emergency.

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

Sec. 1. 2016 c 223 s 7 (uncodified) is amended to read as follows: Sections 2 through 6 of this act expire June 30, ((2017)) 2019.

Sec. 2. 2016 c 223 s 8 (uncodified) is amended to read as follows: Section 14 of this act expires June 30, ((2017)) 2019.

Sec. 3. 2016 c 223 s 9 (uncodified) is amended to read as follows: Sections 1 through 5 of this act expire June 30, ((2017)) 2019.

Sec. 4. RCW 77.12.712 and 2016 c 223 s 1 are each amended to read as follows:

The department shall create and administer a Columbia river recreational salmon and steelhead endorsement program. The program must facilitate continued and, to the maximum extent possible, improved recreational salmon and steelhead selective fishing opportunities on the Columbia river and its tributaries by supplementing the resources available to the department to carry out the scientific monitoring and evaluation, data collection, permitting, reporting, enforcement, and other activities necessary to provide such opportunities. Program funds may not be used to acquire land.

<u>NEW SECTION.</u> Sec. 5. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate June 30, 2017. Passed by the House June 30, 2017.

Approved by the Governor June 30, 2017.

Filed in Office of Secretary of State July 3, 2017.

CHAPTER 4

[Engrossed Substitute Senate Bill 5965] CAPITAL BUDGET--REAPPROPRIATIONS

AN ACT Relating to making supplemental capital appropriations for the 2015-2017 fiscal biennium, making capital reappropriations for the 2017-2019 fiscal biennium, and making new appropriations for the school construction assistance program for the 2017-2019 fiscal biennium; amending RCW 70.340.130; amending 2015 3rd sp.s. c 3 ss 1002, 1026, 1028, 3187, 3188, 3198, 3200, and 3202 and 2016 sp.s. c 35 ss 1008, 2011, 3018, 1016, and 6015 (uncodified); adding new sections to 2015 3rd sp.s. c 3 (uncodified); creating new sections; making appropriations; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. (1) 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 2019-2021 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.

(2) "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, 2017, from the 2015-2017 biennial appropriations for each project.

PART 1

GENERAL GOVERNMENT

NEW SECTION. Sec. 1001. FOR THE COURT OF APPEALS

Spokane Court Facility Upgrade (9200001)

Reappropriation:

State Building Construction Account—State	\$66,000
Prior Biennia (Expenditures)	\$37,000
Future Biennia (Projected Costs)	\$0
TOTAL	5103,000

<u>NEW SECTION.</u> Sec. 1002. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

WWRP and State Land Acquisition Study (92000003)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1001, chapter 35, Laws of 2016 sp. sess.

Reappropriation:
State Building Construction Account—State\$350,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
TOTAL\$350,000
NEW SECTION. Sec. 1003. FOR THE DEPARTMENT OF

COMMERCE

Local and Community Projects (20064008)

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

(1) The reappropriation is subject to the provisions in section 131, chapter 488, Laws of 2005.

(2) \$235,000 of the reappropriation is provided solely to the Spokane river forum. The department shall not execute a contract with the grant recipient unless the Spokane river forum is in receipt of all permits by March 1, 2018. If the terms and conditions of this subsection are not met by March 1, 2018, the funding provided in this subsection shall lapse.

Reappropriation: State Building Construction Account—State
TOTAL \$45,892,000
<u>NEW SECTION.</u> Sec. 1004. FOR THE DEPARTMENT OF COMMERCE Rural Washington Loan Fund (20074008)
Reappropriation: Rural Washington Loan Account—State. \$840,000 Prior Biennia (Expenditures). \$1,187,000 Future Biennia (Projected Costs). \$0 TOTAL \$2,027,000
<u>NEW SECTION.</u> Sec. 1005. FOR THE DEPARTMENT OF COMMERCE
Housing Assistance, Weatherization, and Affordable Housing (20074009) Reappropriation:
State Taxable Building Construction Account—State.\$477,000Prior Biennia (Expenditures).\$199,435,000Future Biennia (Projected Costs).\$0TOTAL\$199,912,000
<u>NEW SECTION.</u> Sec. 1006. FOR THE DEPARTMENT OF COMMERCE
Community Development Fund (20084850) Reappropriation:
State Building Construction Account—State\$1,049,000Prior Biennia (Expenditures)\$19,867,000Future Biennia (Projected Costs)\$0
TOTAL
COMMERCE Housing Assistance, Weatherization, and Affordable Housing (30000013)
Reappropriation: Washington Housing Trust Account—State \$104,000 Prior Biennia (Expenditures) \$129,895,000 Future Biennia (Projected Costs) \$0 TOTAL \$129,999,000
<u>NEW SECTION.</u> Sec. 1008. FOR THE DEPARTMENT OF COMMERCE
2010 Local and Community Projects (30000082)

The reappropriation in this section is subject to the following conditions and limitations: The projects must comply with RCW 43.63A.125 and other requirements for community projects administered by the department of commerce.

Reappropriation:

<u>NEW SECTION.</u> Sec. 1009. FOR THE DEPARTMENT OF COMMERCE

Housing Assistance, Weatherization, Affordable Housing Trust Fund (30000098)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1026, chapter 49, Laws of 2011 1st sp. sess.

Reappropriation:

State Taxable Building Construction Account—State	\$477,000
Prior Biennia (Expenditures)	. \$49,523,000
Future Biennia (Projected Costs)	\$0
TOTAL	

<u>NEW SECTION.</u> Sec. 1010. FOR THE DEPARTMENT OF COMMERCE

Public Works Assistance Account Program (30000103)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1021, chapter 48, Laws of 2011 1st sp. sess.

Reappropriation:

Public Works Assistan	ce Ac	count—	-State			. \$17,128	,000
Prior Biennia (Expend	itures)				\$132,896	,000
Future Biennia (Projec	ted C	osts)					. \$0
TOTAL						\$150,024	,000
NEW SECTION.	Sec.	1011.	FOR	THE	DEPART	MENT	OF
OMMERCE							

COMMERCE

Local and Community Projects (30000166)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1002, chapter 2, Laws of 2012 2nd sp. sess.

Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$16,525,000
Future Biennia (Projected Costs) \$0
TOTAL
NEW SECTION. Sec. 1012. FOR THE DEPARTMENT OF
COMMERCE
Public Works Assistance Account Program 2013 Loan List (30000184)
Reappropriation:
Public Works Assistance Account—State\$16,511,000
Prior Biennia (Expenditures) \$21,630,000
Future Biennia (Projected Costs) \$0

TOTAL \$38,141,000

<u>NEW SECTION.</u> Sec. 1013. FOR THE DEPARTMENT OF COMMERCE

Youth Recreational Facilities Grants (30000185)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1041, chapter 3, Laws of 2015 3rd sp. sess., provided that the "New Life Community Development Agency" project may be combined with the "New Life CDA" project in project number 30000188. If the department of commerce and the grantee have not executed a contract by September 1, 2018, the amount provided in this section shall lapse.

Reappropriation:

State Building Cons	\$800,	,000,					
Prior Biennia (Expenditures)\$1,691,							
Future Biennia (Projected Costs)						. \$0	
TOTAL						\$2,491	,000,
NEW SECTION.	Sec. 1	1014.	FOR	THE	DEPARTN	AENT	OF

COMMERCE

Building Communities Fund Grants (30000188)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1072, chapter 3, Laws of 2015 3rd sp. sess., provided that the "New Life CDA" project may be combined with the "New Life Community Development Agency" project in project number 30000185. If the department of commerce and the grantee have not executed a contract by September 1, 2018, the amount provided in this section shall lapse.

Reappropriation:

State Building Construction Account—State	\$800,000
Prior Biennia (Expenditures)	\$3,252,000
Future Biennia (Projected Costs)	\$0
TOTAL	

<u>NEW SECTION.</u> Sec. 1015. FOR THE DEPARTMENT OF COMMERCE

Community Economic Revitalization Board (30000190)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1070, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

Public Facility Construction Loan Revolving	
Account—State	\$8,750,000
Prior Biennia (Expenditures)	\$250,000
Future Biennia (Projected Costs).	\$0
TOTAL	\$9,000,000

<u>NEW SECTION.</u> Sec. 1016. FOR THE DEPARTMENT OF COMMERCE

2013-2015 Energy Efficiency Grants (30000193)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1075, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—State\$3,	404,000
Prior Biennia (Expenditures) \$21,	596,000
Future Biennia (Projected Costs)	\$0
TOTAL	
NEW SECTION See 1017 FOD THE DEDADTMEN	JT OF

<u>NEW SECTION.</u> Sec. 1017. 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 of this act.

Reappropriation:

State Building Construction Account—State	00
State Taxable Building Construction Account—State \$10,415,00	00
Subtotal Reappropriation \$31,476,00	00
Prior Biennia (Expenditures)	00
Future Biennia (Projected Costs)	\$0
TOTAL	

<u>NEW SECTION.</u> Sec. 1018. FOR THE DEPARTMENT OF COMMERCE

Building for the Arts Program (30000731)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1029, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$1,090,00	00
Prior Biennia (Expenditures)	\$4,707,00	00
Future Biennia (Projected Costs)		
TOTAL		
NEW SECTION. Sec. 1019. FOR THE DEPARTM		
OMMEDCE		

COMMERCE

Youth Recreational Facilities Program (30000792)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1030, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$4,250,000
Prior Biennia (Expenditures)	\$3,105,000

Future Biennia (Projected Costs)\$0 TOTAL\$7,355,000
<u>NEW SECTION.</u> Sec. 1020. FOR THE DEPARTMENT OF COMMERCE Building Communities Fund Program (30000803)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1031, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) State State State Reappropriation: \$10,357,000 Prior Biennia (Expenditures) State State State State State State Reappropriation: State State <t< td=""></t<>
<u>NEW SECTION.</u> Sec. 1021. 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.
Reappropriation:State Taxable Building Construction Account—State.Washington Housing Trust Account—StateSubtotal ReappropriationPrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$83,000,000
<u>NEW SECTION.</u> Sec. 1022. FOR THE DEPARTMENT OF COMMERCE
2015-2017 Community Economic Revitalization Board Program (30000834)
Reappropriation: Public Facility Construction Loan Revolving
Account—State\$10,600,000Prior Biennia (Expenditures)\$0Future Biennia (Projected Costs)\$0TOTAL\$10,600,000
<u>NEW SECTION.</u> Sec. 1023. FOR THE DEPARTMENT OF COMMERCE Energy Efficiency and Solar Grants (30000835)
The recommendation in this section is subject to the following conditions and

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:

Prior Biennia (Expenditures)\$3,724,00 Future Biennia (Projected Costs)\$ TOTAL\$25,000,00	60
NEW SECTION. Sec. 1024. FOR THE DEPARTMENT O	
COMMERCE Ultra-Efficient Affordable Housing Demonstration (30000836)	r
The reappropriation in this section is subject to the following conditions ar limitations: The reappropriation is subject to the provisions of section 100 chapter 35, Laws of 2016 sp. sess.	
Reappropriation: Washington Housing Trust Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL	50 50 90
<u>NEW SECTION.</u> Sec. 1025. FOR THE DEPARTMENT O COMMERCE	F
Weatherization Matchmaker Program (30000838)	
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL	00 50 00
<u>NEW SECTION.</u> Sec. 1026. FOR THE DEPARTMENT O COMMERCE Community Energy Efficiency Program (30000845)	F
The reappropriation in this section is subject to the following conditions ar limitations: The reappropriation is subject to the provisions of section 103 chapter 3, Laws of 2015 3rd sp. sess.	
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL)0 50 00
<u>NEW SECTION.</u> Sec. 1027. FOR THE DEPARTMENT O COMMERCE 2017 Local and Community Projects (30000846)	F
The reappropriation in this section is subject to the following conditions ar limitations: The reappropriation is subject to the provisions of section 100 chapter 35, Laws of 2016 sp. sess.	ıd 8,
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL	00 50

<u>NEW SECTION.</u> Sec. 1028. FOR THE DEPARTMENT OF COMMERCE

Rapid Housing Improvement Program (30000863)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1010, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Washin	gton Housing	Trust	Account	-State		\$194	4,000
						\$31	
						\$225	
NEW	SECTION.	Sec.	1029.	FOR	THE	DEPARTMENT	OF

COMMERCE

Housing for the Homeless (91000413)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1011, chapter 2, Laws of 2012 2nd sp. sess.

Reappropriation:

State Taxable Building Construction Account—State	\$408,000
Prior Biennia (Expenditures)	. \$28,536,000
Future Biennia (Projected Costs)	
TOTAL	

<u>NEW SECTION.</u> Sec. 1030. FOR THE DEPARTMENT OF COMMERCE

2012 Local and Community Projects (91000417)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 302, chapter 1, Laws of 2012 2nd sp. sess.

Reappropriation:

State Bu	uilding Constu	ruction	Accour	nt—Stat	e		\$181	,000,
Prior Bi	ennia (Expen	ditures)				\$9,442	,000,
	Biennia (Proje							
	TAL							
NEW	SECTION.	Sec.	1031.	FOR	THE	DEPART	IMENT	OF

<u>NEW SECTION.</u> Sec. COMMERCE

Sand Point Building 9 (91000446)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1068, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:
State Taxable Building Construction Account—State
Prior Biennia (Expenditures)\$4,296,000
Future Biennia (Projected Costs)
TOTAL

<u>NEW SECTION.</u> Sec. 1032. FOR THE DEPARTMENT OF COMMERCE

Mental Health Beds (91000447)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1071, chapter 19, Laws of 2013 2nd sp. sess

Reappropriation:

TOTAL	
Future Biennia (Projected Costs))
Prior Biennia (Expenditures)\$3,671,000	
State Building Construction Account—State)
$f_{1,2}^{(1)}$ D $f_{1,2}^{(1)}$ C $f_{1,2}^{(1)}$ A $f_{2,2}^{(1)}$ C $f_{1,2}^{(1)}$ C $f_{1,2}^{($	<u>^</u>

COMMERCE

Housing for Homeless Veterans (91000455)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1064, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Taxable Building Construction Account—State	\$1,404,000
Prior Biennia (Expenditures)	\$7,963,000
Future Biennia (Projected Costs).	\$0
TOTAL	\$9,367,000

<u>NEW SECTION.</u> Sec. 1034. 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	. \$5,000,000
Prior Biennia (Expenditures)	\$22,050,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$27,050,000

<u>NEW SECTION.</u> Sec. 1035. FOR THE DEPARTMENT OF COMMERCE

Housing for People with Developmental Disabilities (91000458)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1066, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:
State Taxable Building Construction Account—State\$540,000
Prior Biennia (Expenditures) \$8,479,000
Future Biennia (Projected Costs)
TOTAL

<u>NEW SECTION.</u> Sec. 1036. FOR THE DEPARTMENT OF COMMERCE

Clean Energy and Energy Freedom Program (91000582)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1074, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Const	ruction Acco	unt—Stat	te		\$4,998,000
Prior Biennia (Exper					
Future Biennia (Proj					
TOTAL					
NEW SECTION.	Sec. 1037	. FOR	THE	DEPARTM	ENT OF

COMMERCE

CERB Administered Econ Dev, Innovation & Expo Grants (92000096)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 304, chapter 1, Laws of 2012 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$2,944,000
Prior Biennia (Expenditures)	. \$17,136,000
Future Biennia (Projected Costs)	\$0
TOTAL	. \$20,080,000
	_

<u>NEW SECTION.</u> Sec. 1038. FOR THE DEPARTMENT OF COMMERCE

Brownfield Redevelopment Grants (92000100)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1067, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Local Toxics Control Account—State	\$160,000
Prior Biennia (Expenditures)	\$1,340,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,500,000
NEW SECTION. Sec. 1039. FOR	THE DEPARTMENT OF

COMMERCE

Port and Export Related Infrastructure (92000102)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 306, chapter 1, Laws of 2012 2nd sp. sess.

Reap	pro	pria	tion:
p	P	P	

State Building Construction Account—State	\$7,376,000
Prior Biennia (Expenditures)	\$25,774,000
Future Biennia (Projected Costs)	
TOTAL	\$33,150,000

<u>NEW SECTION.</u> Sec. 1040. 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 1077, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

Public Facility Construction Loan Revolving	
Account—State	\$5,368,000
State Building Construction Account—State	\$3,000,000
Subtotal Reappropriation	\$8,368,000
Prior Biennia (Expenditures)	\$28,741,000
Future Biennia (Projected Costs)	\$0
TOTAL	

<u>NEW SECTION.</u> Sec. 1041. FOR THE DEPARTMENT OF COMMERCE

Projects that Strengthen Youth & Families (92000227)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1079, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:
State Building Construction Account—State\$1,350,000
Prior Biennia (Expenditures)\$18,327,000
Future Biennia (Projected Costs)
TOTAL \$19,677,000

<u>NEW SECTION.</u> Sec. 1042. 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:

Environmental Legacy Stewardship Account—State
State Building Construction Account—State
Subtotal Reappropriation \$5,993,000
Prior Biennia (Expenditures) \$26,135,000
Future Biennia (Projected Costs)
TOTAL \$32,128,000
NEW CECTION & 1042 FOR THE DEPARTMENT OF

<u>NEW SECTION.</u> Sec. 1043. 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—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)\$0TOTAL\$44,399,000
<u>NEW SECTION.</u> Sec. 1044. 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 1012, chapter 35, Laws of 2016 sp. sess.
Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$130,169,000
<u>NEW SECTION.</u> Sec. 1045. 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 Prior Biennia (Expenditures) Future Biennia (Projected Costs) \$0 TOTAL
<u>NEW SECTION.</u> Sec. 1046. FOR THE OFFICE OF FINANCIAL MANAGEMENT Cowlitz River Dredging (20082856)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
<u>NEW SECTION.</u> Sec. 1047. FOR THE OFFICE OF FINANCIAL MANAGEMENT Catastrophic Flood Relief (20084850)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1074, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation: State Building Construction Account—State

State Building Construction Account—State	\$20,000,000
Prior Biennia (Expenditures)	\$67,687,000

Future Biennia (Projected Costs)	
NEW SECTION. Sec. 1048. FOR THE OFFICE OF	FINANCIAL
MANAGEMENT Construction Contingency Pool (90000300)	
The reappropriation in this section is subject to the following c limitations: The reappropriation is subject to the provisions of chapter 3, Laws of 2015 3rd sp. sess.	
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL	\$6,147,000 \$0
<u>NEW SECTION.</u> Sec. 1049. FOR THE OFFICE OF I MANAGEMENT	FINANCIAL
Cost Effective K-3 Classrooms Assessment (30000053)	
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs)	\$70,000 \$0
TOTAL	
<u>NEW SECTION.</u> Sec. 1050. FOR THE DEPART ENTERPRISE SERVICES Minor Works Preservation (30000722)	'MENT OF
The reappropriation in this section is subject to the following c limitations: The reappropriation is subject to the provisions of chapter 3, Laws of 2015 3rd sp. sess.	
Reappropriation:	
State Building Construction Account—State Thurston County Capital Facilities Account—State Subtotal Reappropriation Prior Biennia (Expenditures) Future Biennia (Projected Costs)	\$1,550,000 \$4,691,000 \$2,727,000
TOTAL	
<u>NEW SECTION.</u> Sec. 1051. FOR THE DEPART ENTERPRISE SERVICES	
Old Capitol - Exterior and Interior Repairs (30000724)	
Reappropriation: State Building Construction Account—State Thurston County Capital Facilities Account—State Subtotal Reappropriation Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL	\$360,000 \$674,000 \$2,326,000 \$0
) , - 0 0

<u>NEW SECTION.</u> Sec. 1052. FOR THE DEPARTMENT OF ENTERPRISE SERVICES
West Campus Historic Buildings Exterior Preservation (30000727) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) \$2,000,000 TOTAL
<u>NEW SECTION.</u> Sec. 1053. FOR THE DEPARTMENT OF ENTERPRISE SERVICES Capitol Campus Exterior Lighting Upgrades (30000736)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1098, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation: Thurston County Capital Facilities Account—State \$950,000 Prior Biennia (Expenditures) \$50,000 Future Biennia (Projected Costs) \$0 TOTAL \$1,000,000 NEW SECTION. Sec. 1054. FOR THE DEPARTMENT OF ENTERPRISE SERVICES Capital Furnishings Preservation Committee Projects (92000013)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL NEW SECTION. Sec. 1055. FOR THE DEPARTMENT OF ENTERPRISE SERVICES
Capitol Campus Critical Network Standardization & Connectivity (30000732)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1093, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation: Thurston County Capital Facilities Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
<u>NEW SECTION.</u> Sec. 1056. FOR THE DEPARTMENT OF ENTERPRISE SERVICES K-3 Modular Classrooms (91000437) Reappropriation:
State Building Construction Account—State \$500,000 Prior Biennia (Expenditures) \$5,000,000 Future Biennia (Projected Costs) \$0

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TOTAL	\$5,500,000
NEW SECTION. Sec. 1057. FOR THE MILITARY DEPAR'	TMENT
Minor Works Preservation - 2015-2017 Biennium (30000702)	
Reappropriation:	
General Fund—Federal	\$3,584,000
State Building Construction Account—State	\$1,473,000
Subtotal Reappropriation	\$5,057,000
Prior Biennia (Expenditures)	\$7,541,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$12,598,000
NEW SECTION. Sec. 1058. FOR THE MILITARY DEPAR	TMENT
Minor Works Program - 2015-2017 Biennium (30000744)	
Reappropriation:	
General Fund—Federal	\$14,235,000
State Building Construction Account—State	\$4,332,000
Subtotal Reappropriation	\$18,567,000
Prior Biennia (Expenditures)	\$3,049,000
Future Biennia (Projected Costs)	
TOTAL	
<u>NEW SECTION.</u> Sec. 1059. FOR THE MILITARY DEPAR	ГМЕНТ
Thurston County Readiness Center (30000594)	
Reappropriation:	* 4 • • * • • • • •
General Fund—Federal	\$1,097,000
State Building Construction Account—State	\$865,000
Subtotal Reappropriation Prior Biennia (Expenditures)	\$1,962,000
Filor Diennia (Expenditures)	\$5,275,000
Future Biennia (Projected Costs)	5235000
<u>NEW SECTION.</u> Sec. 1060. FOR THE DEPARTM	
ARCHAEOLOGY AND HISTORIC PRESERVATION	IENI OF
Heritage Barn Preservation Program (30000009)	
Reappropriation:	
State Building Construction Account—State	\$305.000
Prior Biennia (Expenditures)	
Future Biennia (Projected Costs)	\$0
TOTAL	\$450,000
NEW SECTION. Sec. 1061. FOR THE DEPARTM	
ARCHAEOLOGY AND HISTORIC PRESERVATION	
Historic County Courthouse Grants Program (30000010)	
Reappropriation:	
State Building Construction Account—State	
Prior Biennia (Expenditures)	\$1,469,000
Future Biennia (Projected Costs)	
TOTAL	\$2,500,000
NEW SECTION. Sec. 1062. FOR THE DEPARTM	AENT OF
ARCHAEOLOGY AND HISTORIC PRESERVATION	(0100000 5
Acquisition/Rehabilitation of Historic Matsuda and Mukai Sites	(91000006)

\$382,000
\$118,000
\$0
\$500,000

PART 2

HUMAN SERVICES

<u>NEW SECTION.</u> Sec. 2001. 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:

(1) The department shall redesign the kitchen and commissary building to account for a reduced client population at western state hospital.

(2) This facility shall house a kitchen, commissary, medical supply, and pharmacy operations to improve operational efficiency at western state hospital and at the special commitment center.

(3) The department shall submit an updated project proposal by October 15, 2017 and return any excess funds.

Reappropriation:

State Building Construction Account—State	\$28,000,000
Prior Biennia (Expenditures)	. \$2,190,000
Future Biennia (Projected Costs)	\$0
TOTAL	

<u>NEW SECTION.</u> Sec. 2002. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest School - Back-Up Power & Electrical Feeders (3000041	.5)
Reappropriation:	
State Building Construction Account—State	\$4,850,000
Prior Biennia (Expenditures)	\$350,000
Future Biennia (Projected Costs)	\$0

AND HEALTH SERVICES

Lakeland Village: Code Required Campus Infrastructure Upgrades (30002238)

Reappropriation:

State Building Construction Account—State	. \$1,050,000
Prior Biennia (Expenditures)	\$150,000
Future Biennia (Projected Costs)	\$0
TOTAL	

<u>NEW SECTION.</u> Sec. 2004. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Child Study & Treatment Center - Orcas: Acute Treatment Addition (30002733)

Reappropriation:

State Building Construction Account—State\$750,000

Prior Biennia (Expenditures)\$350,000
Future Biennia (Projected Costs)
TOTAL \$1,100,000
NEW SECTION. Sec. 2005. FOR THE DEPARTMENT OF SOCIAL
AND HEALTH SERVICES
Western State Hospital - South Hall: Building Systems Replacement
(30002735)
Reappropriation:
Charitable, Educational, Penal, and Reformatory
Institutions Account—State\$3,905,000
Prior Biennia (Expenditures)\$545,000
Future Biennia (Projected Costs) \$0
TOTAL
NEW SECTION. Sec. 2006. FOR THE DEPARTMENT OF SOCIAL
AND HEALTH SERVICES
Echo Glen - Housing Unit: Acute Mental Health Unit (30002736)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 2007. FOR THE DEPARTMENT OF SOCIAL
AND HEALTH SERVICES
Eastern State Hospital - Westlake: Nurse Call System (30002739)
Reappropriation:
State Building Construction Account—State\$760,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 2008. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Green Hill School: New Acute Mental Health Unit (30002745)
Reappropriation:
State Building Construction Account—State\$3,350,000Prior Biennia (Expenditures)\$1,681,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 2009. FOR THE DEPARTMENT OF SOCIAL
AND HEALTH SERVICES Western State Hospital - Forensic Services: Two Wards Addition
(30002765)
Reappropriation:
State Building Construction Account—State\$590,000
Prior Biennia (Expenditures)\$1,210,000
Future Biennia (Projected Costs)
TOTAL
$101\Lambda L$

Reappropriation:

State Building Construction Account—State	
Prior Biennia (Expenditures)	\$350,000
Future Biennia (Projected Costs)	
TOTAL	\$1,300,000
NEW SECTION. Sec. 2016. FOR THE DEPARTMEN	T OF SOCIAL
AND HEALTH SERVICES	i oi soonii
Minor Works Program Projects: Western State Hospital (300	003388)
Reappropriation:	,,
State Building Construction Account—State	\$600.000
Prior Biennia (Expenditures)	\$1.350.000
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,950,000
NEW SECTION. Sec. 2017. FOR THE DEPARTMEN	
AND HEALTH SERVICES	I OF SOCIAL
ESH and WSH - All Wards: Patient Safety Improvements (9	91000019)
Reappropriation:	100001)
Charitable, Educational, Penal, and Reformatory	
Institutions Account—State	\$1 600 000
Prior Biennia (Expenditures).	
Future Biennia (Projected Costs).	\$0
TOTAL	
<u>NEW SECTION.</u> Sec. 2018. FOR THE DEPARTMEN'	
AND HEALTH SERVICES	I OF SOCIAL
Minor Works Preservation Projects: Statewide (91000037)	
Reappropriation:	
State Building Construction Account—State	\$2,000,000
Prior Biennia (Expenditures)	\$14 850 000
Future Biennia (Projected Costs).	\$0
TOTAL	\$16 850 000
<u>NEW SECTION.</u> Sec. 2019. FOR THE DEPARTMENT	
Newborn Screening Wing Addition (30000301)	OF HEALTH
Reappropriation:	
State Building Construction Account—State	\$1.500.000
Prior Biennia (Expenditures)	\$1,500,000 \$1,540,000
Future Biennia (Projected Costs).	\$1,549,000 \$0
TOTAL	
NEW SECTION. Sec. 2020. FOR THE DEPARTMENT	OF HEALTH
Newborn Screening Lab Conversion (30000302)	
Reappropriation: State Building Construction Account—State	¢1 000 000
Prior Biennia (Expenditures) Future Biennia (Projected Costs)	\$141,000
TOTAL	
NEW SECTION. Sec. 2021. FOR THE DEPARTMENT	OF HEALTH
Drinking Water Preconstruction Loans (30000334)	
Reappropriation:	.
Drinking Water Assistance Account—State	\$5,800,000

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Prior Biennia (Expenditures)\$200,000
Future Biennia (Projected Costs). \$0 TOTAL \$6,000,000
<u>NEW SECTION.</u> Sec. 2022. FOR THE DEPARTMENT OF HEALTH
Drinking Water Assistance Program (30000336)
Reappropriation:
Drinking Water Assistance Account—Federal \$28,494,000
Prior Biennia (Expenditures)\$3,506,000 Future Biennia (Projected Costs)\$0
TOTAL
<u>NEW SECTION.</u> Sec. 2023. FOR THE DEPARTMENT OF
VETERANS AFFAIRS
Walla Walla Nursing Facility (20082008)
Reappropriation: State Building Construction Account—State\$1,050,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 2024. FOR THE DEPARTMENT OF
VETERANS AFFAIRS
Eastern Washington Cemetery Upgrade (30000152)
Reappropriation:
General Fund—Federal
Prior Biennia (Expenditures)\$640,000 Future Biennia (Projected Costs)\$0
TOTAL
NEW SECTION. Sec. 2025. FOR THE DEPARTMENT OF
VETERANS AFFAIRS
Minor Works Facilities Preservation (30000174)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$2,120,000
Future Biennia (Projected Costs). \$0 TOTAL \$3,095,000
<u>NEW SECTION.</u> Sec. 2026. FOR THE DEPARTMENT OF CORRECTIONS
Washington Corrections Center: Transformers and Switches (30000143)
Reappropriation:
State Building Construction Account—State\$11,000
Prior Biennia (Expenditures)\$139,000
Future Biennia (Projected Costs)\$0
TOTAL\$150,000
<u>NEW SECTION.</u> Sec. 2027. FOR THE DEPARTMENT OF
CORRECTIONS Werkington Contem Deef and Environment Devicement
Washington Corrections Center: Roof and Equipment Replacement (30000195)
Reappropriation:
rrr

State Building Construction Account—State \$1,910,000
Prior Biennia (Expenditures)\$3,748,000
Future Biennia (Projected Costs) \$0
TOTAL \$5,658,000
NEW SECTION. Sec. 2028. FOR THE DEPARTMENT OF
CORRECTIONS
WCC: Security Video System (30000791)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$4,568,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 2029. FOR THE DEPARTMENT OF
CORRECTIONS
MCC: WSR Security Video System (30000795)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$4,143,000
Future Biennia (Projected Costs) \$0
TOTAL
NEW SECTION. Sec. 2030. FOR THE DEPARTMENT OF
CORRECTIONS
CBCC: Security Video System (30000800)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$599,000
Future Biennia (Projected Costs) \$0
TOTAL \$6,038,000
NEW SECTION. Sec. 2031. FOR THE DEPARTMENT OF
CORRECTIONS
MCC: TRU Security Video System (30000801)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$3,650,000
Future Biennia (Projected Costs) \$0
TOTAL \$4,281,000
NEW SECTION. Sec. 2032. FOR THE DEPARTMENT OF
CORRECTIONS
MCC: SOU IMU Security Video (30000803)
Reappropriation:
State Building Construction Account—State\$440,000
Prior Biennia (Expenditures) \$2,265,000
Future Biennia (Projected Costs) \$0
TOTAL \$2,705,000
NEW SECTION. Sec. 2033. FOR THE DEPARTMENT OF
CORRECTIONS
MCC: MSU Bathroom Renovation (30000975)

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Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL \$1,720,000
<u>NEW SECTION.</u> Sec. 2034. FOR THE DEPARTMENT OF CORRECTIONS SW: Minor Works - Preservation Projects (30001013)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
<u>NEW SECTION.</u> Sec. 2035. FOR THE DEPARTMENT OF CORRECTIONS
CBCC: Access Road Culvert Replacement and Road Resurfacing (30001078)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
<u>NEW SECTION.</u> Sec. 2036. FOR THE DEPARTMENT OF CORRECTIONS
WSP: Program and Support Building (30001101)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL \$1,900,000
<u>NEW SECTION.</u> Sec. 2037. FOR THE DEPARTMENT OF CORRECTIONS Prison Capacity Expansion (30001105)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2059, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$4,800,000

PART 3

NATURAL RESOURCES

<u>NEW SECTION.</u> Sec. 3001. FOR THE DEPARTMENT OF ECOLOGY

Water Supply Facilities (19742006)

Reappropriation:
State and Local Improvements Revolving Account (Water Supply
Facilities)—State
Prior Biennia (Expenditures) \$20,255,000
Future Biennia (Projected Costs)
TOTAL \$20,550,000
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
Prior Biennia (Expenditures) \$6,883,000
Future Biennia (Projected Costs) \$0
TOTAL \$15,433,000
<u>NEW SECTION.</u> Sec. 3003. FOR THE DEPARTMENT OF
ECOLOGY
Twin Lake Aquifer Recharge Project (20042951)
Reappropriation:
State Building Construction Account—State\$157,000
Prior Biennia (Expenditures)\$593,000
Future Biennia (Projected Costs)\$0
TOTAL\$750,000
<u>NEW SECTION.</u> Sec. 3004. FOR THE DEPARTMENT OF ECOLOGY
Quad Cities Water Right Mitigation (20052852)
Reappropriation:
State Building Construction Account—State\$116,000
Prior Biennia (Expenditures)\$1,484,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3005. FOR THE DEPARTMENT OF
ECOLOGY
Watershed Plan Implementation and Flow Achievement (20062003)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 136, chapter 371, Laws of 2006.
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$12,697,000
Future Biennia (Projected Costs)
TOTAL

<u>NEW SECTION.</u> Sec. 3006. FOR THE DEPARTMENT OF ECOLOGY Columbia River Basin Water Supply Development Program (20062950)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3008, chapter 49, Laws of 2011 1st sp. sess.
Reappropriation: Columbia River Basin Water Supply Development Account—State. \$3,219,000 Prior Biennia (Expenditures) \$88,281,000 Future Biennia (Projected Costs) \$0 TOTAL \$91,500,000 NEW SECTION. Sec. 3007. FOR THE DEPARTMENT OF
ECOLOGY Local Toxics Grants for Cleanup and Prevention (20064008)
Reappropriation: State Building Construction Account—State \$624,000 Prior Biennia (Expenditures) \$98,276,000 Future Biennia (Projected Costs) \$0 TOTAL \$98,900,000
<u>NEW SECTION.</u> Sec. 3008. FOR THE DEPARTMENT OF ECOLOGY
Transfer of Water Rights for Cabin Owners (20081951)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) \$0 TOTAL
State Building Construction Account—State \$102,000 Prior Biennia (Expenditures) \$348,000 Future Biennia (Projected Costs) \$0 TOTAL \$450,000 NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF
State Building Construction Account—State \$102,000 Prior Biennia (Expenditures) \$348,000 Future Biennia (Projected Costs) \$0 TOTAL \$450,000 NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY Sec. 3009. FOR THE DEPARTMENT OF
State Building Construction Account—State \$102,000 Prior Biennia (Expenditures) \$348,000 Future Biennia (Projected Costs) \$0 TOTAL \$450,000 NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY Remedial Action Grants (20084008) Reappropriation: \$508,000 Prior Biennia (Expenditures) \$92,367,000 Future Biennia (Projected Costs) \$0 State Building Construction Account—State \$0 Remedial Action Grants (20084008) \$92,367,000 Prior Biennia (Expenditures) \$0 State Building Construction Account—State \$0 State Biennia (Expenditures) \$92,367,000 Future Biennia (Projected Costs) \$0 TOTAL \$92,875,000
State Building Construction Account—State \$102,000 Prior Biennia (Expenditures) \$348,000 Future Biennia (Projected Costs) \$0 TOTAL \$450,000 NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY Remedial Action Grants (20084008) Reappropriation: \$508,000 Prior Biennia (Expenditures) \$92,367,000 Future Biennia (Projected Costs) \$0
State Building Construction Account—State \$102,000 Prior Biennia (Expenditures) \$348,000 Future Biennia (Projected Costs) \$0 TOTAL \$450,000 NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY Remedial Action Grants (20084008) Reappropriation: \$508,000 Prior Biennia (Expenditures) \$92,367,000 Future Biennia (Projected Costs) \$0 TOTAL \$92,875,000 NEW SECTION. Sec. 3010. FOR THE DEPARTMENT OF
State Building Construction Account—State \$102,000 Prior Biennia (Expenditures) \$348,000 Future Biennia (Projected Costs) \$0 TOTAL \$450,000 NEW_SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY Remedial Action Grants (20084008) Reappropriation: \$508,000 Prior Biennia (Expenditures) \$92,367,000 Future Biennia (Projected Costs) \$92,875,000 NEW_SECTION. Sec. 3010. FOR THE DEPARTMENT OF ECOLOGY \$92,875,000

State Building Construction Account—State	\$1,013,000
Prior Biennia (Expenditures)	\$12,987,000
Future Biennia (Projected Costs)	\$0

TOTAL
NEW SECTION. Sec. 3011. FOR THE DEPARTMENT OF
ECOLOGY Watershed Plan Implementation and Flow Achievement (3000028)
Reappropriation:
State Building Construction Account—State\$373,000Prior Biennia (Expenditures)\$5,623,000Future Biennia (Projected Costs)\$0TOTAL\$5,996,000
<u>NEW SECTION.</u> Sec. 3012. FOR THE DEPARTMENT OF ECOLOGY Remedial Action Grant Program (30000039)
The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3006, chapter 36, Laws of 2010 1st sp. sess.
Reappropriation: Local Toxics Control Account—State\$5,239,000 State Building Construction Account—State \$757,000 Subtotal Reappropriation \$5,996,000 Prior Biennia (Expenditures) \$69,113,000 Future Biennia (Projected Costs) \$0 TOTAL \$75,109,000 NEW SECTION. Sec. 3013. FOR THE DEPARTMENT OF ECOLOGY Clean Up Toxics Sites - Puget Sound (30000144)
The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are 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: Cleanup Settlement Account—State State Toxics Control Account—State Subtotal Reappropriation Subtotal Reappropriation Prior Biennia (Expenditures) Subtotal Reappropriation State Display Cleanup Settlement Account—State Subtotal Reappropriation Subtotal Reappropriation State Display State Displ
ECOLOGY Centennial Clean Water Program (30000208)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3003, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Toxics Control Account—State\$2,656,000

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Prior Biennia (Expenditures) \$30,614,000
Future Biennia (Projected Costs). \$0 TOTAL \$33,270,000
NEW SECTION. Sec. 3015. 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 Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
<u>NEW SECTION.</u> Sec. 3016. FOR THE DEPARTMENT OF ECOLOGY
Remedial Action Grant Program (30000216) Reappropriation:
Local Toxics Control Account—State\$22,343,000Prior Biennia (Expenditures)\$40,521,000Future Biennia (Projected Costs)\$0
TOTAL \$62,864,000
<u>NEW SECTION.</u> Sec. 3017. FOR THE DEPARTMENT OF ECOLOGY Eastern Washington Clean Sites Initiative (30000217)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3004, chapter 35, Laws of 2016 sp. sess.
Reappropriation: State Toxics Control Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
<u>NEW SECTION.</u> Sec. 3018. 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: State Toxics Control Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) \$0 TOTAL

NEW	SECTIO	<u>DN.</u> Se	c. 301	9. FOR	THE	DEPA	RTMENT	OF
ECOLOGY								
	Basin	Integra	ted Wa	ater Mar	agement	Plan	Implement	ation
(30000278)								
Reappropria								
State Bi	uilding C	onstruct	ion Acc	ount—Sta	ite		\$52	2,000
Prior Bi	ennia (Ez	xpenditi	ires)		• • • • • • •		\$1,827	/,000
							¢1.070	
							\$1,879	
		<u>DN.</u> Se	ec. 302	0. FOR	THE	DEPA	RTMENT	OF
ECOLOGY		G	1. 1.1	11.	. (200			
		oma Sme	elter Plu	me and M	ines (300	00280)		
Reappropria		ant A aa	out C	tata			\$2.011	
Drior Di	onnia (E	ent Acco	ount—S	late	• • • • • • •	• • • • • •	\$3,011	5,000
							\$20,647	
							RTMENT	
ECOLOGY		<u>JN.</u> Se	ec. 302	I. FUK	IHE	DEPA	KI WEN I	OF
		eral Can	ital Proj	ects (3000	0282)			
Reappropria		nai Cap	nai i ioj		0202)			
General	Fund—I	Federal					\$665	5.000
							\$135	
							\$800	
NEW	SECTIO	DN. Se	ec. 302	2. FOR	THE	DEPA	RTMENT	OF
ECOLOGY		~~						
Coastal	Wetland	s Federa	l Funds	Administ	ration (30	000283	3)	
Reappropria							,	
							\$2,810	
							\$20,390	
							\$23,200	
		<u>DN.</u> Se	ec. 302	3. FOR	THE	DEPA	RTMENT	OF
ECOLOGY								
	Switch	Remova	al (30000)323)				
Reappropria							¢120	
State To	xics Con	itrol Acc	count—S	state	• • • • • • •	• • • • • •	\$138	5,000
							\$362	
							\$500	
								-
		<u>JN.</u> Se	e. 302	4. FOR	THE	DEPA	RTMENT	OF
ECOLOGY								

Centennial Clean Water Program (30000326)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3066, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:
Environmental Legacy Stewardship Account—State \$13,662,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)\$0TOTAL\$50,000,000
<u>NEW SECTION.</u> Sec. 3025. FOR THE DEPARTMENT OF
ECOLOGY Water Pollution Control Revolving Program (30000327)
The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3067, chapter 19, Laws of 2013 2nd sp. sess.
Reappropriation:
Water Pollution Control Revolving Account—Federal.\$4,032,000Water Pollution Control Revolving Account—State.\$154,280,000Subtotal Reappropriation\$158,312,000Prior Biennia (Expenditures)\$91,688,000Future Biennia (Projected Costs)\$0TOTAL\$250,000,000
<u>NEW SECTION.</u> Sec. 3026. FOR THE DEPARTMENT OF ECOLOGY
Coastal Wetlands Federal Funds (30000328)
Reappropriation:
General Fund—Federal
NEW SECTION. Sec. 3027. FOR THE DEPARTMENT OF
ECOLOGY
Watershed Plan Implementation and Flow Achievement (30000331)
Watershed Plan Implementation and Flow Achievement (30000331)
Reappropriation:
Reappropriation: State Building Construction Account—State
Reappropriation: State Building Construction Account—State
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
Reappropriation: State Building Construction Account—State \$4,993,000 Prior Biennia (Expenditures) \$5,007,000 Future Biennia (Projected Costs) \$0 TOTAL \$10,000,000 NEW SECTION, Sec. 3028. FOR THE DEPARTMENT OF
Reappropriation: State Building Construction Account—State \$4,993,000 Prior Biennia (Expenditures) \$5,007,000 Future Biennia (Projected Costs) \$0 TOTAL \$10,000,000 <u>NEW SECTION.</u> Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY Sec. 3028. FOR THE DEPARTMENT OF
Reappropriation: State Building Construction Account—State \$4,993,000 Prior Biennia (Expenditures) \$5,007,000 Future Biennia (Projected Costs) \$0 TOTAL \$10,000,000 NEW SECTION, Sec. 3028. FOR THE DEPARTMENT OF
Reappropriation: State Building Construction Account—State \$4,993,000 Prior Biennia (Expenditures) \$5,007,000 Future Biennia (Projected Costs) \$0 TOTAL \$10,000,000 <u>NEW_SECTION.</u> Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY Sunnyside Valley Irrigation District Water Conservation (30000332) Reappropriation: State Building Construction Account—State
Reappropriation: \$4,993,000 State Building Construction Account—State \$5,007,000 Prior Biennia (Expenditures) \$5,007,000 Future Biennia (Projected Costs) \$0 TOTAL \$10,000,000 <u>NEW SECTION.</u> Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY Sunnyside Valley Irrigation District Water Conservation (30000332) Reappropriation: \$221,000 Prior Biennia (Expenditures) \$2,834,000
Reappropriation: \$4,993,000 State Building Construction Account—State \$5,007,000 Prior Biennia (Expenditures) \$5,007,000 Future Biennia (Projected Costs) \$0 TOTAL \$10,000,000 <u>NEW SECTION.</u> Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY Sunnyside Valley Irrigation District Water Conservation (30000332) Reappropriation: \$221,000 Prior Biennia (Expenditures) \$2,834,000 Future Biennia (Projected Costs) \$0
Reappropriation: \$4,993,000 State Building Construction Account—State \$5,007,000 Prior Biennia (Expenditures) \$5,007,000 Future Biennia (Projected Costs) \$0 TOTAL \$10,000,000 <u>NEW SECTION.</u> Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY Sunnyside Valley Irrigation District Water Conservation (30000332) Reappropriation: \$221,000 Prior Biennia (Expenditures) \$2,834,000

Dungeness Water Supply & Mitigation (30000333)

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The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions in section 3082, chapter 19, Laws of 2013 2nd sp. sess.

chapter 17, Laws of 2015 2nd sp. sess.
Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$2,050,000
<u>NEW SECTION.</u> Sec. 3030. FOR THE DEPARTMENT OF ECOLOGY ASARCO Cleanup (30000334)
The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3044, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation:Cleanup Settlement Account—StateState Building Construction Account—StateSubtotal ReappropriationPrior Biennia (Expenditures)Future Biennia (Projected Costs)SolutionSaleSolutionSaleSolutionSaleConstructionSale
NEW SECTION.Sec. 3031.FOR THE DEPARTMENT OFECOLOGYPadilla Bay Federal Capital Projects - Programmatic (30000335)Reappropriation:General Fund—Federal
<u>NEW SECTION.</u> Sec. 3032. 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:Environmental Legacy Stewardship Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$25,055,000
NEW SECTION. Sec. 3033. FOR THE DEPARTMENT OF ECOLOGY

Eastern Washington Clean Sites Initiative (30000351)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3008, chapter 35, Laws of 2016 sp. sess.

Reappropriation:Environmental Legacy Stewardship Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$7,600,000
<u>NEW SECTION.</u> Sec. 3034. FOR THE DEPARTMENT OF ECOLOGY
Columbia River Water Supply Development Program (30000372)
Reappropriation:
Columbia River Basin Tax Bond Water Supply
Development Account—State
Columbia River Basin Water Supply Development Account—State
Subtotal Reappropriation
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)\$0
TOTAL
NEW SECTION. Sec. 3035. FOR THE DEPARTMENT OF
ECOLOGY
Yakima River Basin Water Supply (30000373) Reappropriation:
State Building Construction Account—State\$1,812,000
Prior Biennia (Expenditures)\$30,288,000
Future Biennia (Projected Costs)\$0
TOTAL \$32,100,000
NEW SECTION. Sec. 3036. FOR THE DEPARTMENT OF
ECOLOGY
Remedial Action Grants (30000374) Reappropriation:
Local Toxics Control Account—State\$25,385,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)\$0
TOTAL \$62,537,000
NEW SECTION. Sec. 3037. FOR THE DEPARTMENT OF
ECOLOGY
Water Irrigation Efficiencies Program (30000389)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3080, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—State	\$1,590,000
Prior Biennia (Expenditures)	. \$2,410,000
Future Biennia (Projected Costs)	\$0

TOTAL
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:Local Toxics Control Account—State.\$9,858,000State Building Construction Account—State\$6,852,000Subtotal Reappropriation\$16,710,000Prior Biennia (Expenditures).\$5,790,000Future Biennia (Projected Costs).\$0TOTAL\$22,500,000
<u>NEW SECTION.</u> Sec. 3039. FOR THE DEPARTMENT OF
ECOLOGY Reducing Taxia Dissel Emissions (20000/28)
Reducing Toxic Diesel Emissions (30000428) Reappropriation: State Toxics Control Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
NEW SECTION. Sec. 3040. FOR THE DEPARTMENT OF
ECOLOGY
Reducing Toxic Woodstove Emissions (30000429)
The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3010, chapter 35, Laws of 2016 sp. sess.
Reappropriation:State Building Construction Account—StateState Toxics Control Account—StateSubtotal ReappropriationPrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$3,500,000
NEW SECTION. Sec. 3041. FOR THE DEPARTMENT OF
ECOLOGY
Waste Tire Pile Cleanup and Prevention (30000431)
Reappropriation: Waste Tire Removal Account—State\$496,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL

<u>NEW SECTION.</u> Sec. 3042. FOR THE DEPARTMENT OF ECOLOGY

Eastern Washington Clean Sites Initiative (30000432) Reappropriation:
State Toxics Control Account—State \$9,413,000 Prior Biennia (Expenditures) \$487,000 Future Biennia (Projected Costs) \$0
TOTAL \$9,900,000 NEW SECTION. Sec. 3043. FOR THE DEPARTMENT OF
ECOLOGY Remedial Action Grants (30000458)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3011, chapter 35, Laws of 2016 sp. sess.
Reappropriation: Local Toxics Control Account—State
<u>NEW SECTION.</u> Sec. 3044. FOR THE DEPARTMENT OF ECOLOGY
Leaking Tank Model Remedies (30000490) Reappropriation:
State Toxics Control Account—State\$1,679,000Prior Biennia (Expenditures)\$321,000Future Biennia (Projected Costs)\$0TOTAL\$2,000,000
<u>NEW SECTION.</u> Sec. 3045. FOR THE DEPARTMENT OF ECOLOGY Water Pollution Control Revolving Program (30000534)
The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3061, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation: Water Pollution Control Revolving Account— Federal
Water Pollution Control Revolving Account—State\$139,671,000
Subtotal Reappropriation \$189,671,000 Prior Biennia (Expenditures) \$13,329,000
Future Biennia (Projected Costs)\$0TOTAL\$203,000,000
NEW SECTION. Sec. 3046. FOR THE DEPARTMENT OF
ECOLOGY Storm Water 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: Local Toxics Control Account—State. Prior Biennia (Expenditures). \$0 Future Biennia (Projected Costs). \$0 TOTAL.
NEW SECTION. Sec. 3047. FOR THE DEPARTMENT OF
ECOLOGY Coastal Wetlands Federal Funds (30000536)
Reappropriation:
General Fund—Federal
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
TOTAL \$10,000,000
NEW SECTION. Sec. 3048. FOR THE DEPARTMENT OF
ECOLOGY
Floodplains by Design (30000537) Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL \$35,560,000
NEW SECTION. Sec. 3049. FOR THE DEPARTMENT OF
ECOLOGY
ASARCO Cleanup (30000538)
Reappropriation:
Cleanup Settlement Account—State
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 3050. 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: State Toxics Control Account—State\$12,763,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL \$14,381,000

<u>NEW SECTION.</u> Sec. 3051. FOR THE DEPARTMENT OF ECOLOGY

Water Irrigation Efficiencies Program (30000587)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3067, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$4,000,000
<u>NEW SECTION.</u> Sec. 3052. FOR THE DEPARTMENT OF ECOLOGY Columbia River Water Supply Development Program (30000588)
The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3068, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation: Columbia River Basin Water Supply Development Account—State. \$4,957,000 Columbia River Basin Water Supply Revenue Recovery Account—State \$2,189,000 Subtotal Reappropriation \$7,146,000 Prior Biennia (Expenditures) \$11,854,000 Future Biennia (Projected Costs) \$19,000,000 NEW SECTION. Sec. 3053. FOR THE DEPARTMENT OF
ECOLOGY Sunnyside Valley Irrigation District Water Conservation (30000589) Reappropriation: State Building Construction Account—State State Building Construction Account—State \$2,861,000 Prior Biennia (Expenditures) \$194,000 Future Biennia (Projected Costs) \$0 TOTAL \$3,055,000
<u>NEW SECTION.</u> Sec. 3054. FOR THE DEPARTMENT OF ECOLOGY Yakima River Basin Water Supply (30000590)
The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3070, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation: State Building Construction Account—State State Taxable Building Construction Account—State Subtotal Reappropriation Subtotal Reappropriation State Topping (Expenditures)

	φ1,,,10,000
Prior Biennia (Expenditures)	\$12,287,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$30,000,000

		Sec.	3055.	FOR	THE	DEPARTMEN	Γ ΟΓ
ECOLOGY							
	1	ementa	tion and	l Flow A	Achieven	ment (30000591)	
Reappropria				~		* • •	• • • • •
						\$3,8	
						\$1,1	
						\$5,0	
		Sec.	3056.	FOR	THE	DEPARTMEN	Г OF
ECOLOGY		10000	7				
	Mitigation (9	100000	J7)				
Reappropria		nation	1	t Stat		\$1,6	00 000
						\$1,0	
						······································	
						\$3,9	
						DEPARTMEN'	
ECOLOGY		Sec.	3057.	FUK	ITL	DEFACINIEN	ГОГ
	Jp Toxics Site	s - P119	et Sound	d (9100	0032)		
Reappropria		149	,et soun	a (9100)	0052)		
		Accou	nt—Stat	e		\$8	70,000
						\$8,4	
Future 1	Biennia (Proje	ected C	osts)				\$0
						\$9,2	
NEW	SECTION.	Sec.	3058.	FOR	THE	DEPARTMEN	г оғ
ECOLOGY				-			-
Skagit I	Mitigation (91	00018	1)				
Reappropria							
						\$1,0	
						\$1,2	
						\$2,2	
		Sec.	3059.	FOR	THE	DEPARTMEN	Γ ΟΓ
ECOLOGY			(00000				
Storm V	Water Improve	ements	(920000	576)			
						the following con	
and limitati	ons: The reap	propri	ations a			ne provisions of	
3016, chapte	er 35, Laws of	f 2016 :	sp. sess.				
Reappropria	tion:						

couppi opriation.	
State Building Construction Account—State	\$18,525,000
Environmental Legacy Stewardship Account—State	\$51,528,000
Subtotal Reappropriation	\$70,053,000
Prior Biennia (Expenditures)	\$26,947,000
Future Biennia (Projected Costs)	\$0
TOTAL	

<u>NEW SECTION.</u> Sec. 3060. FOR THE DEPARTMENT OF ECOLOGY
Floodplain Management and Control Grants (92000078)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3069, chapter 19, Laws of 2013 2nd sp. sess.
Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$50,000,000
NEW SECTION. Sec. 3061. FOR THE DEPARTMENT OF
ECOLOGY
Lower Yakima GWMA Program Development (92000085)
Reappropriation: State Building Construction Account—State\$1,200,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)\$0
TOTAL \$1,614,000
NEW SECTION. Sec. 3062. FOR THE DEPARTMENT OF
ECOLOGY
Drought Response (92000142)
Reappropriation: State Drought Preparedness Account—State\$1,757,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)\$0
TOTAL \$6,723,000
NEW SECTION. Sec. 3063. FOR THE DEPARTMENT OF
ECOLOGY
Water Treatment Plant (Lakewood) (92000156)
Reappropriation: State Building Construction Account—State
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3064. FOR THE DEPARTMENT OF
ECOLOGY
Port of Tacoma Arkema/Dunlap Mound (92000158)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)
TOTAL
<u>NEW SECTION.</u> Sec. 3065. 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 \$538,000 Prior Biennia (Expenditures) \$1,262,000 Future Biennia (Projected Costs) \$0 TOTAL \$1,800,000
<u>NEW SECTION.</u> Sec. 3066. FOR THE POLLUTION LIABILITY
INSURANCE PROGRAM
Underground Storage Tank Capital Financial Assistance Program (3000002)
Reappropriation:
PLIA Underground Storage Tank Revolving
Account—State\$9,050,000
Prior Biennia (Expenditures)\$950,000
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 3067. FOR THE STATE PARKS AND RECREATION COMMISSION
Sun Lakes State Park: Dry Falls Campground Renovation (30000305)
Reappropriation:
State Building Construction Account—State\$402,000
Prior Biennia (Expenditures)\$0
Future Biennia (Projected Costs) \$0
TOTAL\$402,000
<u>NEW SECTION.</u> Sec. 3068. FOR THE STATE PARKS AND
RECREATION COMMISSION
Lake Chelan State Park Moorage Dock Pile Replacement (30000416) Reappropriation:
State Building Construction Account—State\$242,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs) \$0
TOTAL\$248,000
NEW SECTION. Sec. 3069. FOR THE STATE PARKS AND
RECREATION COMMISSION
Cape Disappointment North Head Parking (30000522) Reappropriation:
State Building Construction Account—State\$420,000
Prior Biennia (Expenditures)\$1,870,000
Future Biennia (Projected Costs)
TOTAL

<u>NEW SECTION.</u> Sec. 3070. FOR THE STATE PARKS AND RECREATION COMMISSION
Mount Spokane Road Improvements, Stage 2D (30000693)
Reappropriation:
State Building Construction Account—State\$106,000
Prior Biennia (Expenditures) \$1,823,000
Future Biennia (Projected Costs) \$0
TOTAL
<u>NEW SECTION.</u> Sec. 3071. FOR THE STATE PARKS AND RECREATION COMMISSION
Goldendale Observatory - Expansion (30000709)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$708,000
Future Biennia (Projected Costs)\$0
TOTAL
NEW SECTION. Sec. 3072. FOR THE STATE PARKS AND
RECREATION COMMISSION
Steamboat Rock Build Dunes Campground (30000729)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$792,000
Future Biennia (Projected Costs)
TOTAL \$3,499,000
NEW SECTION. Sec. 3073. FOR THE STATE PARKS AND
RECREATION COMMISSION
Flaming Geyser State Park Infrastructure (30000810)
Reappropriation:
State Building Construction Account—State\$735,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 3074. FOR THE STATE PARKS AND
RECREATION COMMISSION
Belfair Replace Failing Electrical Supply to Main Camp Loop (30000813)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL \$1,180,000
<u>NEW SECTION.</u> Sec. 3075. FOR THE STATE PARKS AND
RECREATION COMMISSION
Minor Works - Health and Safety (30000839)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$7,098,000
Future Biennia (Projected Costs)
TOTAL

NEW SECTION. Sec. 3076. FOR THE STATE PARKS AND
RECREATION COMMISSION
Minor Works - Facility and Infrastructure Preservation (30000845)
Reappropriation:
State Building Construction Account—State\$292,000
Prior Biennia (Expenditures)\$9,708,000
Future Biennia (Projected Costs)
TOTAL \$10,000,000
NEW SECTION. Sec. 3077. FOR THE STATE PARKS AND
RECREATION COMMISSION
Sequim Bay Address Failing Retaining Wall (30000861)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$182,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3078. FOR THE STATE PARKS AND
RECREATION COMMISSION
Lake Sammamish Dock Grant Match (30000872)
Reappropriation:
State Building Construction Account—State \$1,050,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 3079. FOR THE STATE PARKS AND
NEW SECTION. SEC. JU19. FUN THE STATE FARMS AND
RECREATION COMMISSION
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877)
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation:
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State\$105,000
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State\$105,000 Prior Biennia (Expenditures)\$77,000
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State\$105,000 Prior Biennia (Expenditures)\$105,000 Future Biennia (Projected Costs)\$105,000
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (3000877) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) Mount Spokane NEW SECTION. Sec. 3080. FOR THE STATE PARKS AND RECREATION COMMISSION Statewide - Cabins, Yurts, and Associated Park Improvement (30000883) Reappropriation:
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (3000877) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) Mount Spokane NEW SECTION. Sec. 3080. FOR THE STATE PARKS AND RECREATION COMMISSION Statewide - Cabins, Yurts, and Associated Park Improvement (3000883) Reappropriation: State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (3000877) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) Mount Spokane NEW SECTION. Sec. 3080. FOR THE STATE PARKS AND RECREATION COMMISSION Statewide - Cabins, Yurts, and Associated Park Improvement (30000883) Reappropriation: State Building Construction Account—State State Building Construction Account—State State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) NEW SECTION. State Wide - Cabins, Yurts, and Associated Park Improvement (30000883) Reappropriation: State Building Construction Account—State Statewide - Cabins, Yurts, and Associated Park Improvement (30000883) Reappropriation: State Building Construction Account—State State Building (Projected Costs) State Building (Projected Costs) State Building (Projected Costs)
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) NEW SECTION State Building Construction Account—State Statewide - Cabins, Yurts, and Associated Park Improvement (30000883) Reappropriation: State Building Construction Account—State Statewide - Cabins, Yurts, and Associated Park Improvement (30000883) Reappropriation: State Building Construction Account—State State Building (Projected Costs) State Building (Projected Costs) State Building (Projected Costs) State Building (Projected Costs)
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) NEW SECTION. State Building Construction Account—State State Section State Building Construction Account—State State Biennia (Projected Costs) NEW SECTION. Sec. Statewide - Cabins, Yurts, and Associated Park Improvement (30000883) Reappropriation: State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (30000877) Reappropriation: State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (3000877) Reappropriation: State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (3000877) Reappropriation: State Building Construction Account—State
RECREATION COMMISSION Mount Spokane - Nordic Area Improvements & Horse Camp Development (3000877) Reappropriation: State Building Construction Account—State

TOTAL
<u>NEW SECTION.</u> Sec. 3082. FOR THE STATE PARKS AND
RECREATION COMMISSION
Field Spring Replace Failed Sewage Syst and Non-ADA Comfort Station (30000951)
Reappropriation:
State Building Construction Account—State\$60,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL\$101,000
<u>NEW SECTION.</u> Sec. 3083. FOR THE STATE PARKS AND RECREATION COMMISSION
Mount Spokane - Maintenance Facility Relocation From Harms Way
(30000959)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$111,000
Future Biennia (Projected Costs) \$0
TOTAL\$384,000
NEW SECTION. Sec. 3084. FOR THE STATE PARKS AND
RECREATION COMMISSION
Fort Worden - Maintenance Shop Relocate From Center of Hist District
(30000960)
Reappropriation:
State Building Construction Account—State\$1,260,000
Prior Biennia (Expenditures) \$811,000
Future Biennia (Projected Costs)
TOTAL \$2,071,000
<u>NEW SECTION.</u> Sec. 3085. FOR THE STATE PARKS AND
RECREATION COMMISSION
Sun Lakes - Dry Falls - Upgrade Failing Water Supply Systems (30000962)
Reappropriation: State Building Construction Account—State\$750,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 3086. FOR THE STATE PARKS AND
<u>NEW SECTION.</u> Sec. 5080. FOR THE STATE PARKS AND RECREATION COMMISSION
Riverside Fisk Property Lk Spokane (Long Lake) Initial Pk Access
(30000971)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$140,000
Future Biennia (Projected Costs) \$0
TOTAL
NEW SECTION. Sec. 3087. FOR THE STATE PARKS AND
RECREATION COMMISSION

Minor Works - Program (30000975) Reappropriation:
State Building Construction Account—State\$445,000Prior Biennia (Expenditures)\$46,000Future Biennia (Projected Costs)\$0TOTAL\$491,000
<u>NEW SECTION.</u> Sec. 3088. FOR THE STATE PARKS AND RECREATION COMMISSION
Mount Spokane Guest Services (91000429) Reappropriation:
State Building Construction Account—State\$815,000Prior Biennia (Expenditures)\$185,000Future Biennia (Projected Costs)\$0TOTAL\$1,000,000
<u>NEW SECTION.</u> Sec. 3089. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Washington Wildlife Recreation Grants (20084011)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3146, chapter 520, Laws of 2007.
Reappropriation:Habitat Conservation Account—State.Prior Biennia (Expenditures).\$96,905,000Future Biennia (Projected Costs).TOTAL.\$98,492,000
<u>NEW SECTION.</u> Sec. 3090. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
Washington Wildlife Recreation Grants (3000002) Reappropriation:
Habitat Conservation Account—State.\$1,949,000Riparian Protection Account—State\$423,000Subtotal Reappropriation\$2,372,000Prior Biennia (Expenditures)\$67,073,000Future Biennia (Projected Costs)\$0TOTAL\$69,445,000
<u>NEW SECTION.</u> Sec. 3091. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD Boating Facilities Program (30000138)
Reappropriation:
Recreation Resources Account—State\$767,000Prior Biennia (Expenditures)\$7,233,000Future Biennia (Projected Costs)\$0TOTAL\$8,000,000
<u>NEW SECTION.</u> Sec. 3092. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD Washington Wildlife Recreation Grants (30000139)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are provided solely for the list of projects in LEAP capital document No. 2011-3A, developed May 24, 2011.

Reappropriation:
Habitat Conservation Account—State\$1,867,000
Outdoor Recreation Account—State
Subtotal Reappropriation \$4,083,000
Prior Biennia (Expenditures)\$37,917,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3093. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Salmon Recovery Funding Board Programs (30000140)
Reappropriation:
General Fund—Federal
State Building Construction Account—State\$1,269,000
Subtotal Reappropriation\$5,073,000
Prior Biennia (Expenditures)\$64,989,000
Future Biennia (Projected Costs) \$0
TOTAL \$70,062,000
NEW SECTION. Sec. 3094. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Aquatic Lands Enhancement Account (30000143)
require Lands Emilancement Recount (50000145)
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. 2011-3B, revised April 10, 2013.
Reappropriation:
Aquatic Lands Enhancement Account—State\$255,000
Prior Biennia (Expenditures)\$6,206,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3095. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Puget Sound Restoration (30000147)
The reappropriation in this section is subject to the following conditions and
limitations: The reappropriation is subject to the provisions of section 3149,
chapter 3, Laws of 2015 3rd sp. sess.
chapter 5, Laws of 2015 51d sp. sess.
Reappropriation:
State Building Construction Account—State\$425,000
Prior Biennia (Expenditures) \$14,575,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3096. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Puget Sound Estuary and Salmon Restoration Program (30000148)
r uger Sound Estuary and Samon Resistation (S0000140)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3150, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:	
State Building Construction Account—State\$163,00	00
Prior Biennia (Expenditures)\$4,837,00	00
Future Biennia (Projected Costs).	\$0
TOTAL \$5,000,00	00
NEW SECTION. Sec. 3097. FOR THE RECREATION AN	JD

CONSERVATION FUNDING BOARD

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.	\$2.080.000
Habitat Conservation Account—State	
Outdoor Recreation Account—State	
Riparian Protection Account—State	
Subtotal Reappropriation	
Prior Biennia (Expenditures)	
Future Biennia (Projected Costs).	
TOTAL	

<u>NEW SECTION.</u> Sec. 3098. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Salmon Recovery Funding Board Programs (30000206)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3162, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:	
General Fund—Federal	\$16,250,000
State Building Construction Account—State	. \$2,553,000
Subtotal Reappropriation	\$18,803,000
Prior Biennia (Expenditures)	
Future Biennia (Projected Costs)	\$0
TOTAL	

<u>NEW SECTION.</u> Sec. 3099. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Boating Facilities Program (30000207)	
Reappropriation:	
Recreation Resources Account—State	\$1,197,000
Prior Biennia (Expenditures)	\$5,166,000
Future Biennia (Projected Costs)	\$0
TOTAL	

<u>NEW SECTION.</u> Sec. 3100. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

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
Prior Biennia (Expenditures)\$4,838,000
Future Biennia (Projected Costs)\$0
TOTAL \$6,000,000
NEW SECTION. Sec. 3101. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Puget Sound Acquisition and Restoration (30000211)
Reappropriation:
State Building Construction Account—State \$10,806,000
Prior Biennia (Expenditures) \$59,194,000
Future Biennia (Projected Costs)\$0
TOTAL \$70,000,000
NEW SECTION. Sec. 3102. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Puget Sound Estuary and Salmon Restoration Program (30000212)
Reappropriation:
State Building Construction Account—State\$2,404,000
Prior Biennia (Expenditures)\$7,596,000
Future Biennia (Projected Costs) \$0
TOTAL
NEW SECTION. Sec. 3103. FOR THE RECREATION AND
<u>NEW SECTION.</u> Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD
NEW SECTION. Sec. 3103. FOR THE RECREATION AND
<u>NEW SECTION.</u> Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213)
<u>NEW SECTION.</u> Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and
<u>NEW SECTION.</u> Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168,
<u>NEW SECTION.</u> Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess.
<u>NEW SECTION.</u> Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation:
<u>NEW SECTION.</u> Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State\$158,000
<u>NEW SECTION.</u> Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State
NEW SECTION. Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State \$158,000 Prior Biennia (Expenditures) \$642,000 \$0
NEW SECTION. Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State
NEW SECTION. Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State
NEW SECTION. Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State
NEW SECTION. Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State
NEW SECTION. Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State State Prior Biennia (Expenditures) State State New SECTION. Sec. State State Future Biennia (Projected Costs) State State State State State State State State Firearms Range Account—State State State State State State State State Reappropriation: Firearms Range Account—State State State State State State State
NEW SECTION. Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State
NEW SECTION. Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State
NEW SECTION. Sec. 3103. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Firearms and Archery Range Recreation (30000213) The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3168, chapter 19, Laws of 2013 2nd sp. sess. Reappropriation: Firearms Range Account—State

NEW SECTION. Sec. 3105. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Family Forest Fish Passage Program (30000218)
Reappropriation:
State Building Construction Account—State\$119,000
Prior Biennia (Expenditures)\$1,881,000
Future Biennia (Projected Costs)
TOTAL

<u>NEW SECTION.</u> Sec. 3106. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

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\$2,572,000
Habitat Conservation Account—State\$15,423,000
Outdoor Recreation Account—State
Riparian Protection Account—State \$3,163,000
Subtotal Reappropriation \$34,791,000
Prior Biennia (Expenditures) \$20,532,000
Future Biennia (Projected Costs)
TOTAL \$55,323,000

<u>NEW SECTION.</u> Sec. 3107. FOR THE RECREATION AND CONSERVATION FUNDING BOARD

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 \$36,117,000
State Building Construction Account—State\$12,493,000
Subtotal Reappropriation \$48,610,000
Prior Biennia (Expenditures) \$17,890,000
Future Biennia (Projected Costs)
TOTAL \$66,500,000
NEW SECTION. Sec. 3108. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
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	\$9,989,000
Prior Biennia (Expenditures)	\$4,221,000

Future Biennia (Projected Costs).\$0TOTAL\$14,210,000
<u>NEW SECTION.</u> Sec. 3109. FOR THE RECREATION AND CONSERVATION FUNDING BOARD 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 \$9,603,000 Prior Biennia (Expenditures) \$1,567,000 Future Biennia (Projected Costs) \$0 TOTAL \$11,170,000 NEW SECTION. Sec. 3110. FOR THE RECREATION AND CONSERVATION FUNDING BOARD 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 \$5,698,000 Prior Biennia (Expenditures) \$4,302,000 Future Biennia (Projected Costs) \$0 TOTAL \$10,000,000 <u>NEW SECTION.</u> Sec. 3111. FOR THE RECREATION AND CONSERVATION FUNDING BOARD 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. \$2,372,000 Prior Biennia (Expenditures) \$2,897,000 Future Biennia (Projected Costs) \$0 TOTAL \$5,269,000 NEW SECTION. Sec. 3112. FOR THE RECREATION AND CONSERVATION FUNDING BOARD 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

Prior Biennia (Expenditures)
Future Biennia (Projected Costs) \$0
TOTAL \$37,000,000
NEW SECTION. Sec. 3113. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Puget Sound Estuary and Salmon Restoration Program (30000227)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$2,549,000
Future Biennia (Projected Costs) \$0
TOTAL \$8,000,000
NEW SECTION. Sec. 3114. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Firearms and Archery Range Recreation (30000228)
Reappropriation:
Firearms Range Account—State\$333,000
Prior Biennia (Expenditures)\$247,000
Future Biennia (Projected Costs)
TOTAL\$580,000
<u>NEW SECTION.</u> Sec. 3115. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Recreational Trails Program (30000229)
Reappropriation:
General Fund—Federal
Prior Biennia (Expenditures)\$1,995,000
Future Biennia (Projected Costs)
TOTAL \$5,000,000
<u>NEW SECTION.</u> Sec. 3116. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Boating Infrastructure Grants (30000230) Reappropriation:
General Fund—Federal \$1,700,000
Prior Biennia (Expenditures)\$500,000
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 3117. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Land and Water Conservation (30000231)
Reappropriation:
General Fund—Federal
Prior Biennia (Expenditures)\$155,000
Future Biennia (Projected Costs) \$0
TOTAL
NEW SECTION. Sec. 3118. FOR THE RECREATION AND
CONSERVATION FUNDING BOARD
Family Forest Fish Passage Program (30000233)
Reappropriation:

State Building Construction Account—State\$2,592,000Prior Biennia (Expenditures)\$2,408,000Future Biennia (Projected Costs)\$0TOTAL\$5,000,000
<u>NEW SECTION.</u> Sec. 3119. FOR THE RECREATION AND CONSERVATION FUNDING BOARD 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—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$11,185,000
<u>NEW SECTION.</u> Sec. 3120. FOR THE RECREATION AND CONSERVATION FUNDING BOARD Recreation and Conservation Office Recreation Grants (92000131)
The reappropriations in this section are subject to the following conditions and limitations: The appropriation in this section is provided solely to purchase replacement properties for Blanchard mountain trust lands core-zone.
Reappropriation: \$4,108,000 Outdoor Recreation Account—State \$26,148,000 Subtotal Reappropriation \$30,256,000 Prior Biennia (Expenditures) \$4,525,000 Future Biennia (Projected Costs) \$0 TOTAL \$34,781,000
<u>NEW SECTION.</u> Sec. 3121. FOR THE STATE CONSERVATION COMMISSION CREP Riparian Cost Share - State Match (30000009) Reappropriation: State Building Construction Account—State
Prior Biennia (Expenditures)
<u>NEW SECTION.</u> Sec. 3122. FOR THE STATE CONSERVATION COMMISSION Natural Resources Investment for the Economy and Environment (30000010)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) \$0 TOTAL

<u>NEW SECTION.</u> Sec. 3123. FOR THE STATE CONSERVATION COMMISSION
CREP PIP Loan Program (30000011)
Reappropriation: Conservation Assistance Revolving Account—State \$49,000 Prior Biennia (Expenditures) \$131,000 Future Biennia (Projected Costs) \$0 TOTAL \$180,000
<u>NEW SECTION.</u> Sec. 3124. FOR THE STATE CONSERVATION
COMMISSION CREP Riparian Contract Funding (30000012) Reappropriation: State Building Construction Account—State
TOTAL
<u>NEW SECTION.</u> Sec. 3125. FOR THE STATE CONSERVATION COMMISSION Match for Federal RCPP Program (30000017)
The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3033, chapter 35, Laws of 2016 sp. sess.
Reappropriation:General Fund—FederalState Building Construction Account—StateSubtotal ReappropriationPrior Biennia (Expenditures)Future Biennia (Projected Costs)SubtotalSubtotalSubtotal ReappropriationStateSubtotal ReappropriationSubtotal ReappropriationSubtot
<u>NEW SECTION.</u> Sec. 3126. FOR THE STATE CONSERVATION
COMMISSION Improve Shellfish Growing Areas (30000018)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) State State State Reappropriation: State State <t< td=""></t<>
<u>NEW SECTION.</u> Sec. 3127. 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 3188, chapter 3, Laws of 2015 3rd sp. sess.

Reap	ppro	pria	tion:

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Prior Biennia (Expenditures)\$412,000
Future Biennia (Projected Costs) \$0
TOTAL \$7,522,000
NEW SECTION. Sec. 3128. FOR THE STATE CONSERVATION
COMMISSION
R&D Grant - Deep Furrow Conservation Drill to Conserve Soil/Water
(9200008)
Reappropriation:
State Building Construction Account—State\$140,000
Prior Biennia (Expenditures) \$210,000
Future Biennia (Projected Costs)
TOTAL\$350,000
<u>NEW SECTION.</u> Sec. 3129. 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 3205,
chapter 19, Laws of 2013 2nd sp. sess.
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$4,995,000 Future Biennia (Projected Costs)\$0
TOTAL
<u>NEW SECTION.</u> Sec. 3130. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
WILDLIFE Mitigation Projects and Dedicated Funding (20082048)
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation:
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal — Private/Local Special Wildlife Account—Federal — S15,000,000 Special Wildlife Account—Private/Local — S10,000 Special Wildlife Account—Private/Local — S10,000 State Wildlife Account—State
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local State Wildlife Account—State Subtotal Reappropriation \$19,750,000
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local Special Wildlife Account—Private/Local Special Wildlife Account—Private/Local State Wildlife Account—State Subtotal Reappropriation \$19,750,000 Prior Biennia (Expenditures)
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local State Wildlife Account—State Subtotal Reappropriation Subtotal Reappropriation Subtotal Reappropriation State Wildlife Account—State Subtotal Reappropriation Subtotal Reappropriation Subtotal Reappropriation State Wildlife Account—State Subtotal Reappropriation Subtotal Reappropriation
WILDLIFE Mitigation Projects and Dedicated Funding (20082048)Reappropriation: General Fund—Federal
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local State Wildlife Account—Private/Local State Wildlife Account—Private/Local State Wildlife Account—State Subtotal Reappropriation State Reappropriation State Reappropriation State Biennia (Expenditures) State State State State State State State Reappropriation State State
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local State Wildlife Account—Private/Local State Wildlife Account—Private/Local State Wildlife Account—State Subtotal Reappropriation \$19,750,000 Prior Biennia (Expenditures) State Wildlife Account State Count State State Subtotal Reappropriation State State
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local State Wildlife Account—Private/Local State Wildlife Account—Private/Local Subtotal Reappropriation Subtotal Reappropriation State Reappropriation Subtotal Reappropriation Subtotal Reappropriation State Reappropriation Subtotal Reappropriation Subtotal Reappropriation State Reapproprise State Reapproprise State Reapproprise State Reapproprise State Reapproprise State Reapproprise
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local State Wildlife Account—Private/Local State Wildlife Account—Private/Local State Wildlife Account—State Subtotal Reappropriation \$19,750,000 Prior Biennia (Expenditures) State Wildlife Account State Cripected Costs) State Section \$0 TOTAL State Section State
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local State Wildlife Account—Private/Local Subtotal Reappropriation Subtotal Reappropriation Subtotal Reappropriation State Wildlife Account—State Subtotal Reappropriation Subtotal Reappropriation
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local State Wildlife Account—Private/Local Subtotal Reappropriation Subtotal Reappropriation Subtotal Reappropriation State Wildlife Account—State Subtotal Reappropriation Subtotal Reappropriation
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Private/Local State Wildlife Account—Private/Local Subtotal Reappropriation Subtotal Reappropriation Subtotal Reappropriation State Wildlife Account—State Subtotal Reappropriation Subtotal Reappropriation
WILDLIFE Mitigation Projects and Dedicated Funding (20082048) Reappropriation: General Fund—Federal General Fund—Private/Local Special Wildlife Account—Federal Special Wildlife Account—Federal Special Wildlife Account—Private/Local Subtotal Reappropriation Subtotal Reappropriation </td

Kalama Falls Hatchery Renovate Adult Handling Facilities (30000480)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$1,000,000
Future Biennia (Projected Costs) \$0
TOTAL
NEW SECTION. Sec. 3133. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Wooten Wildlife Area Improve Flood Plain (30000481)
Reappropriation:
State Building Construction Account—State \$1,600,000
General Fund—Federal
Subtotal Reappropriation
Prior Biennia (Expenditures)
Entre Diamie (Expenditures)
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3134. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Soos Creek Hatchery Renovation (30000661)
Reappropriation:
State Building Construction Account—State \$14,999,000
Prior Biennia (Expenditures)\$1,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3135. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
WILDLIFE Edmonds Pier Renovation (30000664)
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation:
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State\$265,000
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State\$265,000 Prior Biennia (Expenditures)\$535,000
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL NEW SECTION, Sec. 3136. FOR THE DEPARTMENT OF FISH AND
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666)
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation:
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL State Section Section State Section Section State Section Section Section Section Sect
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL State Section Section State Section Section State Section Section Section Section Sect
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL Stec State Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State State Building (Projected Costs) State Building (Projected Costs)
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) YorAL NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State State Building (Projected Costs) State Biennia (Expenditures) State Biennia (Projected Costs) State Biennia (Projected Costs) State Biennia (Projected Costs) State Biennia (Projected Costs)
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State \$2,068,000 Prior Biennia (Expenditures) State Building Construction Account—State \$2,203,000 Future Biennia (Projected Costs) State Building Construction Account State Building Construction Account
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State State Building (Projected Costs) State Building (Projected Costs) State Building (Projected Costs) State Building (Projected Costs) WILDLIFE WILDLIFE Biennia (Projected Costs) State Building (Projected Costs)
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State State Building Construction Account—St
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State State Building Construction Account—St
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) TOTAL TOTAL Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State State Building (Projected Costs) Reappropriation: State Building (Projected Costs) State Building (Projected Costs) State Building (Projected Costs) State Building (Projected Costs) Biennia (Projected Costs) Reappropriation: State Building Construction Account—State State Building Construction Account—State State Building Construction Account—State State Building Construction Account—State
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) NEW SECTION. Sec. 3136. FOR THE DEPARTMENT OF FISH AND WILDLIFE Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State State Building (Projected Costs) State Building Construction Account—State State Building (Projected Costs) State State State Biennia (Projected Costs) Reappropriation: State Building Construction Account—State State Building Construction Account—State State Building Construction Account—State State Building
WILDLIFE Edmonds Pier Renovation (30000664) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) TOTAL TOTAL Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State Marblemount Hatchery - Renovating Jordan Creek Intake (30000666) Reappropriation: State Building Construction Account—State State Building (Projected Costs) Reappropriation: State Building (Projected Costs) State Building (Projected Costs) State Building (Projected Costs) State Building (Projected Costs) Biennia (Projected Costs) Reappropriation: State Building Construction Account—State State Building Construction Account—State State Building Construction Account—State State Building Construction Account—State

NEW SECTION. Sec. 3138. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Fir Island Farm Estuary Restoration Project (30000673)
Reappropriation:
General Fund—Federal
State Building Construction Account—State
Subtotal Reappropriation
Prior Biennia (Expenditures)
TOTAL
NEW SECTION. Sec. 3139. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Hoodsport Hatchery Adult Pond Renovation (30000686)
Reappropriation:
State Building Construction Account—State\$400,000
Prior Biennia (Expenditures)
TOTAL
<u>NEW SECTION.</u> Sec. 3140. FOR THE DEPARTMENT OF FISH AND WILDLIFE
Eells Springs Production Shift (30000723)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$1,570,000
Future Biennia (Projected Costs) \$0
TOTAL \$4,070,000
<u>NEW SECTION.</u> Sec. 3141. FOR THE DEPARTMENT OF FISH AND WILDLIFE
Minor Works Preservation (30000727)
Reappropriation:
State Building Construction Account—State \$2,250,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3142. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Puget Sound and Adjacent Waters Nearshore Restoration - Match
(30000753)
Reappropriation:
General Fund—Federal\$500,000
State Building Construction Account—State
Subtotal Reappropriation\$950,000
Prior Biennia (Expenditures)\$50,000
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 3143. FOR THE DEPARTMENT OF FISH AND WILDLIFE
Mitchell Act Federal Grant (91000021)

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Reappropriation:
General Fund—Federal
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 3144. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Hatchery Improvements (91000036)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$24,475,000
Future Biennia (Projected Costs)
TOTAL \$34,775,000
<u>NEW SECTION.</u> Sec. 3145. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Minor Works - Access Sites (91000044)
Reappropriation:
State Building Construction Account—State\$549,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL \$7,406,000
<u>NEW SECTION.</u> Sec. 3146. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Lake Rufus Woods Fishing Access (91000151)
Reappropriation:
State Building Construction Account—State \$1,864,000
Prior Biennia (Expenditures)\$136,000
Future Biennia (Projected Costs)
TOTAL \$2,000,000
NEW SECTION. Sec. 3147. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Leque Island Highway 532 Road Protection (92000019)
Reappropriation:
State Building Construction Account—State\$304,000
Prior Biennia (Expenditures)\$376,000
Future Biennia (Projected Costs)
TOTAL\$680,000
NEW SECTION. Sec. 3148. FOR THE DEPARTMENT OF FISH AND
WILDLIFE
Clarks Creek Hatchery Rebuild (92000038)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$800,000
Future Biennia (Projected Costs). \$0
TOTAL \$5,000,000
NEW SECTION. Sec. 3149. FOR THE DEPARTMENT OF NATURAL
RESOURCES

Land Acquisition Grants (20052021) Reappropriation:
General Fund—Federal
<u>NEW SECTION.</u> Sec. 3150. FOR THE DEPARTMENT OF NATURAL RESOURCES
Forest Legacy (30000060) Reappropriation:
General Fund—Federal
<u>NEW SECTION.</u> Sec. 3151. FOR THE DEPARTMENT OF NATURAL RESOURCES
Sustainable Recreation (30000207)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL \$7,100,000
<u>NEW SECTION.</u> Sec. 3152. FOR THE DEPARTMENT OF NATURAL RESOURCES
Forest Hazard Reduction (30000224)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3230, chapter 3, Laws of 2015 3rd sp. sess.
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3230, chapter 3, Laws of 2015 3rd sp. sess. Reappropriation:
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3230, chapter 3, Laws of 2015 3rd sp. sess. Reappropriation: State Building Construction Account—State
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3230, chapter 3, Laws of 2015 3rd sp. sess. Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) State Biennia (Projected Costs) TOTAL \$14,000,000 NEW SECTION. Sec. 3153. FOR THE DEPARTMENT OF NATURAL
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3230, chapter 3, Laws of 2015 3rd sp. sess. Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) State Biennia (Projected Costs) State Section \$12,900,000 Future Biennia (Projected Costs) State Section \$14,000,000 NEW SECTION. Sec. 3153. FOR THE DEPARTMENT OF NATURAL RESOURCES Blanchard Working Forest (30000231)
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3230, chapter 3, Laws of 2015 3rd sp. sess. Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) State Biennia (Projected Costs) TOTAL \$14,000,000 NEW SECTION. Sec. 3153. FOR THE DEPARTMENT OF NATURAL RESOURCES
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3230, chapter 3, Laws of 2015 3rd sp. sess. Reappropriation: State Building Construction Account—State State Building Construction Account State Building Construction Account State Building Construction Account State Building Construction Account State Building Construction Account—State State Building Construction Account State Building C
The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3230, chapter 3, Laws of 2015 3rd sp. sess. Reappropriation: State Building Construction Account—State State Building Construction Account—State Fior Biennia (Expenditures) State Biennia (Projected Costs) State Section State Section<

Prior Biennia (Expenditures)\$2,951,000
Future Biennia (Projected Costs)
TOTAL \$3,836,000
<u>NEW SECTION.</u> Sec. 3155. FOR THE DEPARTMENT OF
NATURAL RESOURCES
Contaminated Sites Cleanup and Settlement (30000240)
Reappropriation:
Environmental Legacy Stewardship Account—State
Prior Biennia (Expenditures)\$836,000 Future Biennia (Projected Costs)\$0
TOTAL
<u>NEW SECTION.</u> Sec. 3156. FOR THE DEPARTMENT OF NATURAL
RESOURCES Natural Areas Facilities Preservation and Access (30000241)
Reappropriation:
State Building Construction Account—State \$1,285,000
Prior Biennia (Expenditures)\$1,815,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 3157. FOR THE DEPARTMENT OF NATURAL
RESOURCES
Road Maintenance and Abandonment Plan (91000040)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$10,673,000
Future Biennia (Projected Costs) \$0
TOTAL \$11,834,000
<u>NEW SECTION.</u> Sec. 3158. FOR THE DEPARTMENT OF NATURAL
RESOURCES
Puget SoundCorps (91000046)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)
TOTAL
PART 4
TRANSPORTATION
<u>NEW SECTION.</u> Sec. 4001. FOR THE WASHINGTON STATE
<u>NEW SECTION.</u> Sec. 4001. FOR THE WASHINGTON STATE PATROL
FTA Access Road Reconstruction (30000059)
Reappropriation:
Fire Service Training Account—State\$760,000
Prior Biennia (Expenditures)\$140,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 4002. FOR THE WASHINGTON STATE
PATROL

FTA Campus Communication Infrastructure Improvement (30000101)
Reappropriation:
Fire Service Training Account—State\$212,000
Prior Biennia (Expenditures)\$188,000
Future Biennia (Projected Costs)
TOTAL\$400,000
PART 5
EDUCATION
NEW SECTION. Sec. 5001. FOR THE SUPERINTENDENT OF
PUBLIC INSTRUCTION
2007-09 School Construction Assistance Grant Program (20084200)
Reappropriation:
Common School Construction Account—State\$98,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL \$747,323,000
NEW SECTION. Sec. 5002. FOR THE SUPERINTENDENT OF
PUBLIC INSTRUCTION
Northeast King County Skills Center (20084855)
Reappropriation:
School Construction and Skill Centers Building
Account—State\$41,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL \$8,204,000
NEW SECTION. Sec. 5003. FOR THE SUPERINTENDENT OF
PUBLIC INSTRUCTION
Pierce County Skills Center (20084856)
Reappropriation:
State Building Construction Account—State\$549,000
Prior Biennia (Expenditures) \$34,995,000
Future Biennia (Projected Costs)\$0
TOTAL \$35,544,000
<u>NEW SECTION.</u> Sec. 5004. FOR THE SUPERINTENDENT OF
PUBLIC INSTRUCTION
2009-11 School Construction Assistance Grant Program (30000031)
Reappropriation:
Common School Construction Account—State\$130,000
Prior Biennia (Expenditures) \$389,439,000
Future Biennia (Projected Costs) \$0
TOTAL \$389,569,000
NEW SECTION. Sec. 5005. FOR THE SUPERINTENDENT OF
PUBLIC INSTRUCTION
2011-13 School Construction Assistance Program (30000071)
Reappropriation:
Common School Construction Account—State
Prior Biennia (Expenditures)
1 1101 Dicinita (Experiatures)

Future Biennia (Projected Costs)
<u>NEW SECTION.</u> Sec. 5006. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION
SEA-Tech Branch Campus of Tri-Tech Skills Center (30000078)
Reappropriation:
State Building Construction Account—State\$47,000
Prior Biennia (Expenditures)
TOTAL
<u>NEW SECTION.</u> Sec. 5007. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION
Grant County Branch Campus of Wenatchee Valley Skills Center (30000091)
Reappropriation:
State Building Construction Account—State \$64,000 Prior Biennia (Expenditures) \$19,144,000
Future Biennia (Projected Costs).\$0TOTAL\$19,208,000
NEW SECTION. Sec. 5008. FOR THE SUPERINTENDENT OF
PUBLIC INSTRUCTION Clark County Skills Center (30000093)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$7,814,000
Future Biennia (Projected Costs). \$0 TOTAL \$7,901,000
<u>NEW SECTION.</u> Sec. 5009. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION
2013-15 School Construction Assistance Program - Maintenance
(30000145)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$350,181,000
Future Biennia (Projected Costs) \$0
TOTAL \$387,382,000
<u>NEW SECTION.</u> Sec. 5010. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION
Tri-Tech Skills Center East Growth (30000159)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
TOTAL \$1,702,000
<u>NEW SECTION.</u> Sec. 5011. 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	\$209,100,000
State Building Construction Account—State	\$92,767,000
Subtotal Reappropriation	\$301,867,000
Prior Biennia (Expenditures)	\$248,519,000
Future Biennia (Projected Costs)	\$0
TOTAL	
NEW GEOTION G., 5013 FOD THE GUDEDIN	TENDENT OF

<u>NEW SECTION.</u> Sec. 5012. 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 5026, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:	
State Building Construction Account—State\$10,	238,000
Prior Biennia (Expenditures) \$2,	262,000
Future Biennia (Projected Costs)	\$0
TOTAL	500,000

<u>NEW SECTION.</u> Sec. 5013. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Distressed Schools (91000404)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5027, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State \$9	,128,000
Prior Biennia (Expenditures) \$5	,872,000
Future Biennia (Projected Costs)	\$0
TOTAL \$15	

<u>NEW SECTION.</u> Sec. 5014. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Healthy Kids - Healthy Schools Grants (91000406)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5014, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:	
State Building Construction Account—State	\$1,664,000
Prior Biennia (Expenditures)	\$3,336,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,000,000

NEW SECTION. Sec. 5015. FOR THE SUPERINTENDENT OF
PUBLIC INSTRUCTION
Wenatchee Valley Skills Center (92000004)
Reappropriation:
State Building Construction Account—State\$269,000Prior Biennia (Expenditures)\$9,231,000Future Biennia (Projected Costs)\$0TOTAL\$9,500,000
NEW SECTION. Sec. 5016. FOR THE SUPERINTENDENT OF
PUBLIC INSTRUCTION
NEWTECH Skill Center (Spokane Area Professional-Technical) (92000005)
Reappropriation:
State Building Construction Account—State\$387,000Prior Biennia (Expenditures)\$21,450,000Future Biennia (Projected Costs)\$0
TOTAL \$21,837,000
NEW SECTION. Sec. 5017. FOR THE SUPERINTENDENT OF
PUBLIC INSTRUCTION
Puget Sound Skills Center (92000007)
Reappropriation:
State Building Construction Account—State \$5,295,000 Prior Biennia (Expenditures) \$15,638,000 Future Biennia (Projected Costs) \$0
TOTAL
<u>NEW SECTION.</u> Sec. 5018. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION
Yakima Valley Technical Skills Center Sunnyside Satellite (92000013)
Reappropriation:
State Building Construction Account—State \$238,000 Prior Biennia (Expenditures) \$5,987,000 Future Biennia (Projected Costs) \$0 TOTAL \$6,225,000
<u>NEW SECTION.</u> Sec. 5019. FOR THE SUPERINTENDENT OF
<u>NEW SECTION</u> Sec. 5019. 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 5028, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$234,500,000

<u>NEW SECTION.</u> Sec. 5020. FOR THE STATE SCHOOL FOR THE BLIND

General Campus Preservation (30000088)Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$640,000
<u>NEW SECTION.</u> Sec. 5021. 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 5036, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL
<u>NEW SECTION.</u> Sec. 5022. FOR THE UNIVERSITY OF WASHINGTON
School of Nursing Simulation Learning Lab (30000600)
Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)State Biennia (Projected Costs)Future Biennia (Projected Costs)TOTAL\$4,000,000
<u>NEW SECTION.</u> Sec. 5023. FOR THE UNIVERSITY OF WASHINGTON
Health Sciences Interprofessional Education Classroom (30000602)
Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)State Biennia (Projected Costs)TOTALState Biennia (Projected Costs)
<u>NEW SECTION.</u> Sec. 5024. FOR THE UNIVERSITY OF WASHINGTON
Computer Science and Engineering Expansion (30000603) Reappropriation:
University of Washington Building Account—State.\$15,000,000State Building Construction Account—State\$2,000,000Subtotal Reappropriation\$17,000,000Prior Biennia (Expenditures)\$15,500,000Future Biennia (Projected Costs)\$0TOTAL\$32,500,000
NEW SECTION.Sec.5025.FORTHEUNIVERSITYOFWASHINGTONUW Minor Capital Repairs - Preservation (30000604)

Reappropriation:	
University of Washington Building Account—State)
Prior Biennia (Expenditures) \$23,175,000)
Future Biennia (Projected Costs))
TOTAL \$28,175,000)
<u>NEW SECTION.</u> Sec. 5026. FOR THE UNIVERSITY OI	7
WASHINGTON	
Health Sciences Education - T-Wing Renovation/Addition (30000486)	
Reappropriation:	
State Building Construction Account—State\$205,000)
Prior Biennia (Expenditures)\$418,000)
Future Biennia (Projected Costs))
TOTAL)
<u>NEW SECTION.</u> Sec. 5027. FOR THE UNIVERSITY OI	7
WASHINGTON	
Ctr for Advanced Materials and Clean Energy Research Test Bed	3
(91000016)	-
Reappropriation:	
State Building Construction Account—State)
Prior Biennia (Expenditures) \$8,300,000	
Future Biennia (Projected Costs))
TOTAL	
<u>NEW SECTION.</u> Sec. 5028. FOR THE UNIVERSITY OI	
WASHINGTON	
UW Tacoma Campus Soil Remediation (92000002)	
Reappropriation:	
State Toxics Control Account—State\$150,000	`
Prior Biennia (Expenditures)\$5,850,000	Ś
Future Biennia (Projected Costs)	Ś
TOTAL	Ś
<u>NEW SECTION.</u> Sec. 5029. FOR THE WASHINGTON STATE	1
UNIVERSITY WSU Pullinger Trees Hall Demention (200(1020)	
WSU Pullman - Troy Hall Renovation (20061030)	
Reappropriation: State Building Construction Account—State	`
Washington State University Building Account—State	,
Subtotal Reappropriation	, \
Prior Biennia (Expenditures)	
Future Biennia (Projected Costs)	, \
TOTAL \$32,303,000	
<u>NEW SECTION.</u> Sec. 5030. FOR THE WASHINGTON STATE	2
UNIVERSITY	
2015-17 Minor Works - Preservation (30001188)	
Reappropriation:	
Washington State University Building Account—State \$1,000,000	
Prior Biennia (Expenditures)\$26,000,000	
Future Biennia (Projected Costs)	
TOTAL \$27,000,000)

<u>NEW SECTION.</u> Sec. 5031. FOR THE WASHINGTON STATE UNIVERSITY
WSU Pullman - Plant Sciences Building (REC#5) (30000519)
Reappropriation:
Washington State University Building Account—State \$3,600,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs). \$0 TOTAL \$7,100,000
<u>NEW SECTION.</u> Sec. 5032. FOR THE WASHINGTON STATE
UNIVERSITY
Washington State University Tri-Cities - Academic Building (30001190) Reappropriation:
Washington State University Building Account—State\$50,000
Prior Biennia (Expenditures)\$350,000
Future Biennia (Projected Costs)\$0
TOTAL\$400,000
<u>NEW SECTION.</u> Sec. 5033. FOR THE WASHINGTON STATE UNIVERSITY
Everett University Center (91000026)
Reappropriation:
State Building Construction Account—State\$5,000,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs). \$0 TOTAL \$64,563,000
<u>NEW SECTION.</u> Sec. 5034. FOR THE WASHINGTON STATE UNIVERSITY
Inventory and Condition of Schools Data Collection (91000033)
Reappropriation: Common School Construction Account—State\$200,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 5035. FOR THE EASTERN WASHINGTON
UNIVERSITY
Interdisciplinary Science Center (30000001) Reappropriation:
Reappropriation.
State Building Construction Account—State \$800,000
State Building Construction Account—State \$800,000 Prior Biennia (Expenditures) \$4,391,000
State Building Construction Account—State \$800,000 Prior Biennia (Expenditures) \$4,391,000 Future Biennia (Projected Costs) \$0
Prior Biennia (Expenditures)\$4,391,000
Prior Biennia (Expenditures)\$4,391,000 Future Biennia (Projected Costs)\$0
Prior Biennia (Expenditures)

<u>NEW SECTION.</u> Sec. 5037. FOR THE EASTERN WASHINGTON
UNIVERSITY Minor Works - Facility Preservation (30000513)
Reappropriation:
Eastern Washington University Capital Projects
Account—State
Prior Biennia (Expenditures)\$4,017,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 5038. FOR THE EASTERN WASHINGTON
UNIVERSITY
Minor Works - Program (30000516)
Reappropriation:
Eastern Washington University Capital Projects
Account—State
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 5039. FOR THE CENTRAL WASHINGTON
UNIVERSITY
Samuelson Communication and Technology Center (SCTC) (30000451)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$31,957,000
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 5040. FOR THE CENTRAL WASHINGTON
UNIVERSITY
Nutrition Science (30000456) Reappropriation:
State Building Construction Account—State \$1,522,000
Prior Biennia (Expenditures)\$3,078,000
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 5041. FOR THE CENTRAL WASHINGTON
UNIVERSITY
Minor Works Preservation (30000684)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$5,835,000 Future Biennia (Projected Costs)\$0
TOTAL \$5,935,000
NEW SECTION. Sec. 5042. FOR THE CENTRAL WASHINGTON
<u>NEW SECTION.</u> Sec. 5042. FOR THE CENTRAL WASHINGTON UNIVERSITY
Bouillon Hall Renovation (30000711)
Reappropriation:
State Building Construction Account—State\$500,000
Prior Biennia (Expenditures)

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Future Biennia (Projected Costs)
<u>NEW SECTION.</u> Sec. 5043. FOR THE CENTRAL WASHINGTON UNIVERSITY
Minor Works Program (30000723)
Reappropriation:
CWU Capital Projects Account—State
Prior Biennia (Expenditures)\$3,477,000
Future Biennia (Projected Costs) \$0
TOTAL
<u>NEW SECTION.</u> Sec. 5044. FOR THE CENTRAL WASHINGTON UNIVERSITY
Lind Hall Renovation (30000738)
Reappropriation:
State Building Construction Account—State\$200,000
Prior Biennia (Expenditures)\$4,700,000
Future Biennia (Projected Costs) \$0
TOTAL \$4,900,000
NEW SECTION. Sec. 5045. FOR THE CENTRAL WASHINGTON
UNIVERSITY
Old Heat - Plant Annex (30000767)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$4,700,000 Future Biennia (Projected Costs)\$0
TOTAL
<u>NEW SECTION.</u> Sec. 5046. FOR THE EVERGREEN STATE COLLEGE
Science Center - Lab I Basement Renovation (30000118)
Reappropriation:
State Building Construction Account—State\$719,000
Prior Biennia (Expenditures)\$4,326,000
Future Biennia (Projected Costs) \$0
TOTAL \$5,045,000
NEW SECTION. Sec. 5047. FOR THE EVERGREEN STATE
COLLEGE
Facilities Preservation (30000457)
Reappropriation:
State Building Construction Account—State
TESC Capital Projects Account—State\$2,217,000 Subtotal Reappropriation\$3,412,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
<u>NEW SECTION.</u> Sec. 5048. FOR THE EVERGREEN STATE
COLLEGE
Seminar I Renovation (30000125)

Reappropriation:
State Building Construction Account—State\$175,000
Prior Biennia (Expenditures)\$225,000
Future Biennia (Projected Costs) \$0
TOTAL\$400,000
NEW SECTION. Sec. 5049. FOR THE EVERGREEN STATE
COLLEGE
Minor Works Program (30000487)
Reappropriation:
TESC Capital Projects Account—State\$439,000
Prior Biennia (Expenditures)\$725,000
Future Biennia (Projected Costs) \$0
TOTAL \$1,164,000
NEW SECTION. Sec. 5050. FOR THE EVERGREEN STATE
COLLEGE
Lecture Hall Remodel (30000493)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$17,142,000
Future Biennia (Projected Costs) \$0
TOTAL
NEW SECTION. Sec. 5051. FOR THE WESTERN WASHINGTON
UNIVERSITY
Carver Academic Renovation (20081060)
Reappropriation:
State Building Construction Account—State
Western Washington University Capital Projects
Account—State\$3,500,000
Subtotal Reappropriation \$8,500,000
Prior Biennia (Expenditures)
Future Biennia (Projected Costs)
TOTAL
NEW SECTION. Sec. 5052. FOR THE WESTERN WASHINGTON
UNIVERSITY
Minor Works - Preservation (30000615)
Reappropriation:
State Building Construction Account—State
Western Washington University Capital Projects
Account—State\$1,825,000
Subtotal Reappropriation
Prior Biennia (Expenditures) \$5,856,000
Future Biennia (Projected Costs)\$0
TOTAL \$8,881,000
NEW SECTION. Sec. 5053. FOR THE WASHINGTON STATE
HISTORICAL SOCIETY
Heritage Capital Grants Projects (30000170)
Reappropriation:
State Building Construction Account—State\$483,000

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Prior Biennia (Expenditures) Future Biennia (Projected Costs)	. \$9,348,000
TOTAL	. \$9,831,000
<u>NEW SECTION.</u> Sec. 5054. FOR THE WASHINGT HISTORICAL SOCIETY Facilities Preservation - Minor Works Projects (30000222)	ON STATE
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL	. \$2,534,000 \$0
<u>NEW SECTION.</u> Sec. 5055. FOR THE WASHINGT HISTORICAL SOCIETY Washington Heritage Grants (30000237)	ON STATE
The reappropriation in this section is subject to the following co- limitations: The reappropriation is subject to the provisions of s chapter 3, Laws of 2015 3rd sp. sess.	
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) TOTAL	. \$6,347,000 \$0 \$10,000,000
<u>NEW SECTION.</u> Sec. 5056. FOR THE EASTERN WAS STATE HISTORICAL SOCIETY Minor Works - Preservation (30000038)	SHINGTON
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs)	\$410,000
TOTAL	-
<u>NEW SECTION.</u> Sec. 5057. FOR THE COMMUN TECHNICAL COLLEGE SYSTEM	NITY AND
NEW SECTION. Sec. 5057. FOR THE COMMUN TECHNICAL COLLEGE SYSTEM Grays Harbor College: Science and Math Building (20081226) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs)	NITY AND \$257,000 \$43,887,000 \$0
NEW SECTION. Sec. 5057. FOR THE COMMUN TECHNICAL COLLEGE SYSTEM Grays Harbor College: Science and Math Building (20081226) Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures)	NITY AND \$257,000 \$43,887,000 \$0 \$44,144,000
NEW SECTION. Sec. 5057. FOR THE COMMUNITY TECHNICAL COLLEGE SYSTEM Grays Harbor College: Science and Math Building (20081226) Reappropriation: State Building Construction Account—State State Building (20081226) Reappropriation: State Building Construction Account—State State State State State Prior Biennia (Expenditures) State State State State State Future Biennia (Projected Costs) TOTAL TOTAL State State NEW SECTION. Sec. 5058. FOR THE COMMUNITY TECHNICAL COLLEGE SYSTEM Tacoma Community College: Health Careers Center (2008270) State State State State State St	NITY AND \$257,000 \$43,887,000 \$0 \$44,144,000 NITY AND
NEW SECTION. Sec. 5057. FOR THE COMMUNITY TECHNICAL COLLEGE SYSTEM Grays Harbor College: Science and Math Building (20081226) Reappropriation: State Building Construction Account—State State Building Construction Account Account Account Account Account Account Account Account Accoun	NITY AND \$257,000 \$43,887,000 \$0 \$44,144,000 NITY AND 1)
NEW SECTION. Sec. 5057. FOR THE COMMUNITY TECHNICAL COLLEGE SYSTEM Grays Harbor College: Science and Math Building (20081226) Reappropriation: State Building Construction Account—State State Building (20081226) Reappropriation: State Building Construction Account—State State State State State Prior Biennia (Expenditures) State State State State State Future Biennia (Projected Costs) TOTAL TOTAL State State NEW SECTION. Sec. 5058. FOR THE COMMUNITY TECHNICAL COLLEGE SYSTEM Tacoma Community College: Health Careers Center (2008270) State State State State State St	NITY AND \$257,000 \$43,887,000

<u>NEW SECTION.</u> Sec. 5059. FOR THE COMMUNITY AN	D
TECHNICAL COLLEGE SYSTEM	
Bellevue Community College: Health Science Building (20082702)	
Reappropriation:	
State Building Construction Account—State\$351,00	0
Prior Biennia (Expenditures) \$31,375,00	0
Future Biennia (Projected Costs)	0
TOTAL \$31,726,00	
NEW SECTION. Sec. 5060. FOR THE COMMUNITY AN	D
TECHNICAL COLLEGE SYSTEM	
Bates Technical College: Mohler Communications Technology Center	er
(20082703)	
Reappropriation:	
State Building Construction Account—State\$108,00	0
Prior Biennia (Expenditures) \$26,339,00	
Future Biennia (Projected Costs) \$	0
TOTAL \$26,447,00	
NEW SECTION. Sec. 5061. FOR THE COMMUNITY AN	
TECHNICAL COLLEGE SYSTEM	
Columbia Basin College: Social Science Center (20082704)	
Reappropriation:	
State Building Construction Account—State\$50,00	0
Prior Biennia (Expenditures)\$15,531,00	0
Future Biennia (Projected Costs)	0
TOTAL	Õ
NEW SECTION. Sec. 5062. FOR THE COMMUNITY AN	
TECHNICAL COLLEGE SYSTEM	
Clark College: Health and Advanced Technologies Building (20082705)	
Reappropriation:	
State Building Construction Account—State\$78,00	0
Prior Biennia (Expenditures)\$36,974,00	0
Future Biennia (Projected Costs).	
TOTAL	
<u>NEW SECTION.</u> Sec. 5063. FOR THE COMMUNITY AN	
TECHNICAL COLLEGE SYSTEM	J
Seattle Central Community College: Seattle Maritime Academy (30000120	n
Reappropriation:	'n
State Building Construction Account—State\$363,00	Λ
Prior Biennia (Expenditures)\$16,465,00	0
Future Biennia (Projected Costs).	0
TOTAL	
<u>NEW SECTION.</u> Sec. 5064. FOR THE COMMUNITY AND	D
TECHNICAL COLLEGE SYSTEM	
Yakima Valley Community College: Palmer Martin Building (30000121)	
Reappropriation:	^
State Building Construction Account—State	
Prior Biennia (Expenditures)	
Future Biennia (Projected Costs) \$	U

TOTAL \$20,240,000
<u>NEW SECTION.</u> Sec. 5065. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
Olympic College: College Instruction Center (30000122)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$26,966,000
Future Biennia (Projected Costs) \$0
TOTAL \$50,140,000
NEW SECTION. Sec. 5066. FOR THE COMMUNITY AND
TECHNICAL COLLEGE SYSTEM
Centralia Community College: Student Services (30000123)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$32,464,000
Future Biennia (Projected Costs) \$0
TOTAL \$34,606,000
NEW SECTION. Sec. 5067. FOR THE COMMUNITY AND
TECHNICAL COLLEGE SYSTEM
Peninsula College: Allied Health and Early Childhood Dev Center
(30000126)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$21,588,000
Future Biennia (Projected Costs)
TOTAL \$25,600,000
<u>NEW SECTION.</u> Sec. 5068. FOR THE COMMUNITY AND
TECHNICAL COLLEGE SYSTEM
South Seattle Community College: Cascade Court (30000128)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures) \$12,426,000
Future Biennia (Projected Costs)
TOTAL \$30,318,000
<u>NEW SECTION.</u> Sec. 5069. FOR THE COMMUNITY AND
TECHNICAL COLLEGE SYSTEM
North Seattle Community College: Technology Building Renewal
(30000129)
Reappropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$24,744,000
Future Biennia (Projected Costs)
TOTAL \$25,419,000
<u>NEW SECTION.</u> Sec. 5070. FOR THE COMMUNITY AND
TECHNICAL COLLEGE SYSTEM
Renton Technical College: Automotive Complex Renovation (30000134)
Reappropriation:

State Building Construction Account—State\$61,000Prior Biennia (Expenditures)\$16,772,000Future Biennia (Projected Costs)\$0TOTAL\$16,833,000
<u>NEW SECTION.</u> Sec. 5071. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM Edmonds Community College: Science, Engineering, Technology Bldg (30000137)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) Future Biennia (Projected Costs) \$7,820,000
<u>NEW SECTION.</u> Sec. 5072. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM
Whatcom Community College: Learning Commons (30000138)Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)\$0
TOTAL
Big Bend: Professional - Technical Education Center (30000981)Reappropriation:State Building Construction Account—StatePrior Biennia (Expenditures)Future Biennia (Projected Costs)TOTAL\$2,040,000
<u>NEW SECTION.</u> Sec. 5074. 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 5132, chapter 3, Laws of 2015 3rd sp. sess.
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) \$0 Future Biennia (Projected Costs) \$0 TOTAL
<u>NEW SECTION.</u> Sec. 5075. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM Highline: Health and Life Sciences (30000983)
Reappropriation: State Building Construction Account—State Prior Biennia (Expenditures) \$1,368,000

Future	Biennia (Pro	jected	Costs)	 		\$0
TC	DTAL			 	\$2,	932,000
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# <u>NEW SECTION.</u> Sec. 5076. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clover Park: Center for Advanced Manufacturing Technologies (30000984)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5140, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State	\$2,791,000
Prior Biennia (Expenditures)	\$353,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,144,000

#### PART 6

#### SUPPLEMENTAL CAPITAL BUDGET

Sec. 6001. 2015 3rd sp.s. c 3 s 1002 (uncodified) is amended to read as follows:

# FOR THE SECRETARY OF STATE

Library - Archives Building (30000033)

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

(1) The appropriation is provided solely for a predesign to determine: (a) Necessary program space for the state library currently located in Tumwater, and additional archive space; (b) capital budget requirements, including the use of fees collected by the secretary of state that will support a certificate of participation for the financing of the construction of the facility, and future operating costs; and (c) projected efficiencies of electronic document storage in determining necessary space.

(2) The study must consider the use of the general administration building site as a possible location; and any benefits or consequences may be identified at this site or other sites considered; and lease options.

(3) The office of financial management shall determine the maximum use of the site and consider the consolidation of other state agencies, including separately elected officials.

(4) The building must be a high performance building as described in section 7008 of this act and the construction must be procured using a performance based method including design-build or design-build-operate-maintain.

Appropriation:

State Building Construction Account—State	(( <del>\$400,000</del> ))
	<u>\$300,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$55,428,000
TOTAL	(( <del>\$55,828,000</del> ))
	\$55,728,000

Sec. 6002. 2015 3rd sp.s. c 3 s 1026 (uncodified) is amended to read as follows:

### FOR THE DEPARTMENT OF COMMERCE

Renton Aerospace Training Center (30000724)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3, chapter 1, Laws of 2013 3rd sp. sess.

Leappropriation:
State Building Construction Account—State(( <del>\$10,000,000</del> ))
\$1,089,000
Prior Biennia (Expenditures)\$0
Future Biennia (Projected Costs) \$0
TOTAL
\$1,089,000

Sec. 6003. 2015 3rd sp.s. c 3 s 1028 (uncodified) is amended to read as follows:

#### FOR THE DEPARTMENT OF COMMERCE

Clean Energy and Energy Freedom Program (30000726)

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

(1) The appropriations 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 otherwise increase energy independence for the state.

(2) In soliciting and evaluating proposals, awarding contracts, and monitoring projects under this section, the department must:

(a) Ensure that competitive bidding processes, rather than sole source contracting processes, are used to select all projects;

(b) Require that all expenditures be used for projects that develop and acquire asset that have a useful life of at least thirteen years; and

(c) 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.

(3)(a) Pursuant to chapter 42.52 RCW, the ethics in public service act, the department must require an applicant to identify in application materials any state of Washington employees or former state employees employed or on the firm's governing board during the past twenty-four months. Application materials must identify the individual by name, the agency previously or currently employed by, 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 a contract.

(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 contractor either in procuring or performing under the contract, the department in its sole discretion may terminate the contract by written notice. If the contract is terminated, the department must be entitled to pursue the same remedies against

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the contractor as it could pursue in the event of a breach of the contract by the contractor.

(4) The requirements in subsections (2) and (3) of this section must be specified in funding agreements issued by the department.

(5) The department may not obligate or expend any of the amounts provided in this section on new projects that involve the Snohomish county public utilities district or its subcontractors until the executive ethics board responds to the department's June 17, 2015, request for an advisory opinion on poststate employment.

(6)(a)  $((\frac{10,000,000}{10,000}))$   $\frac{16,500,000}{10,000}$  of the state taxable building construction account is provided solely to create a revolving loan fund to support the widespread use of proven energy efficiency and renewable energy technologies now inhibited by lack of access to capital.

(b) The department shall provide grant funds to one or more competitively selected nonprofit lenders that will provide matching private capital and will administer the loan fund. The department must 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.

(d) Loan applications must disclose all sources of public funds invested in the project. The nonprofit lender must make loans available to the following types of projects that include, but are not limited to: Residential, commercial, industrial, and agricultural energy retrofits, residential and community-scale solar installations, anaerobic digesters to treat dairy and organic waste, and combined heat and power projects using woody biomass as a fuel source.

(e) State funds may not exceed fifty percent of the estimated cost of a project, and funding preference must be provided to projects that offer a higher percentage of nonstate match funds.

(7) ((\$6,600,000)) \$100,000 of the state taxable building construction account is provided solely for credit enhancements of advanced solar and renewable energy manufacturing within Washington state. The department shall develop an application process to competitively select projects.

(8)(a) \$13,000,000 of the state building construction account is provided solely for grants to advance clean and renewable energy technologies and advance transmission and distribution control system improvements for increased reliability, resiliency, and enabling integration of distributed and renewable resources and technology by public and private electrical utilities that serve retail customers in the state. Eligible utilities may partner with other public and private sector research organizations and businesses in applying for funding.

(b) 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, allow smaller utilities or consortia of small utilities to apply for funding.

(c) The department shall convene an advisory panel of electric utility representatives to identify program objectives, near term priorities and long term goals.

(d) Applications for grants must disclose all sources of public funds invested in a project.

(e) Grant funds must be used for research, development, or demonstration projects that integrate intermittent renewables through energy storage, information technology or other smart grid technologies, dispatch energy storage resources from utility control rooms, use demand response, transactive control, or the thermal properties and electric load of commercial buildings and district energy systems to store energy, reduce transmission congestion or otherwise improve system reliability and resiliency and enable integration of distributed and renewable energy sources.

(9)(a) \$10,000,000 of the state building construction account is provided solely for grants to match federal funds or other nonstate funding sources used to research, develop, and demonstrate clean energy technologies.

(b) The department shall consult with the University of Washington, Washington State University, the Pacific Northwest national laboratory and other clean energy organizations to design the program. The program shall offer matching funds for competitively selected clean energy projects including, but not limited to: Advancing energy storage and solar technologies, advancing bioenergy, developing new lightweight materials, and advancing renewable energy and energy efficiency technologies.

(10) \$400,000 of the state building construction account—state is provided solely for capital funding of competitively selected wood energy conversion projects at public facilities.

(11) The department must report on number and results of projects that receive grants or loans through the clean energy fund, including the number of job hours created and the number of jobs maintained and created, to the governor and the legislature, by November 1, 2016.

(12) The department shall develop metrics that indicate the performance of energy efficiency efforts and provide a report of the metrics, including at a minimum the current energy used by the building, the energy use after efficiencies are completed, and cost of energy saved, to the house of representatives technology & economic development committee and the senate energy, environment & telecommunications committee. The report must include these metrics from other states.

Appropriation:

State Taxable Building Construction Account—State \$17,000,000
State Building Construction Account—State \$23,400,000
Subtotal Appropriation \$40,400,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
TOTAL \$280,400,000

Sec. 6004. 2016 sp.s. c 35 s 1008 (uncodified) is amended to read as follows:

# FOR THE DEPARTMENT OF COMMERCE

2017 Local and Community Projects (30000846)

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

(1) 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 the legislature. This requirement does not apply to projects where a share of the appropriation is released 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 whose 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) Projects funded in this section must be held by the recipient for a minimum of ten years and used for the same purpose or purposes intended by the legislature as required in RCW 43.63A.125(6).

(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) As the most trade dependent state in the nation, the legislature recognizes the significant statewide benefits to be gained from the proposed Asia Pacific cultural center. The multipurpose facility will serve as a needed cultural resource for Washington's Asian and Pacific Islander community; provide affordable housing and educational opportunities; strengthen relations with our Asia-Pacific trading partners; and deliver economic growth as a commercial and tourist destination. The legislature intends to support the development of the project through a grant to be used for project coordination and development of a sustainable financial plan, which the legislature intends as a prerequisite to consideration of any further state capital commitment.

(8) \$500,000 of the appropriation in this section is provided solely to the 242 home development corporation to develop mental health housing, first and broad, Seattle.

(9) The appropriation is provided solely for the following list of projects:

Projects	Amounts
Airway Heights Recreational Complex (Airway	\$200,000
Heights)	
Algona Community Center (Algona)	\$500,000
Asia Pacific Cultural Center (Ruston)	\$200,000
Bellevue Boys & Girls Club (Bellevue)	\$200,000

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Bridgeview Education and Employment Resource Center (Vancouver)	\$750,000
Central Alarm System (Cook)	\$1,000
Chehalis Boys & Girls Club New Facility (Chehalis)	\$200,000
Chelatchie Prairie RR Museum & Building Entrance (Yacolt)	\$200,000
Chelatchie Prairie RR Museum & Building Maintenance (Yacolt)	\$300,000
Coastal Resiliency Project (Ocean Shores)	\$200,000
DuPont Historical Museum Renovation (DuPont)	\$21,000
Edmonds Veterans Plaza (Edmonds)	\$77,000
Ellensburg Train Station (Ellensburg)	\$400,000
Evergreen Pool Improvements (White Center)	\$90,000
Fort Steilacoom Park (pave and stripe parking lot) (Lakewood)	\$257,000
Goldendale Senior Center (Goldendale)	\$155,000
Grays Harbor Gateway Center (Aberdeen)	\$550,000
Historic Fox Theatre Restoration (Centralia)	\$250,000
Historic Ship Preservation Project (Bremerton)	\$300,000
Holocaust Center for Humanity (Seattle)	\$200,000
Kingston Green Community Village (Kingston)	\$85,000
Kitsap Peninsula Water Trails (Multiple, along peninsula)	\$52,000
Lake Stevens Civic Center (Lake Stevens)	\$309,000
Lyle Activity Center Restoration (Lyle)	\$270,000
Mason County Veterans Shelter / Housing (Shelton)	\$206,000
Meals on Wheels Kitchen and Café Equipment (Richland)	\$206,000
Mental Health Housing, First and (( <del>Denny</del> )) <u>Broad</u> (Seattle)	\$500,000
Mill Creek Parks and Public Works Shop (Mill Creek)	\$257,000
Mother Joseph Academy Roof Replacement (Vancouver)	\$1,000,000
Parkland Prairie Nature Preserve (Parkland)	\$30,000
Pasco Early Learning Center (Pasco)	\$300,000
Pepin Creek Realignment (Lynden)	\$400,000
Performing Arts & Event Center (Federal Way)	\$52,000

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Port of Sunnyside Demolish Carnation Building (Sunnyside)	\$100,000
RAC-Covered Bleachers Project (Lacey)	\$26,000
Riverwalk Trail Phase VI (Puyallup)	\$500,000
Scott Hill Park of Woodland (Woodland)	\$500,000
Shelter and Navigation Center (Seattle)	\$600,000
Skagit County Children's Advocacy Center (Mount Vernon)	\$318,000
Skyline Community Meeting Space (White Salmon)	\$172,000
South Kitsap High School NJROTC (Port Orchard)	\$30,000
SR 542 Kendall, Columbia Valley Trail (Kendall)	\$77,000
Tenino Depot Museum Roof (Tenino)	\$22,000
Wesley Homes (Des Moines)	\$100,000
Westport Marina Dredging (Westport)	\$200,000

#### Total

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\$11,363,000

Appropriation:

State Building Construction Account—State	\$11,363,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs).	\$0
TOTAL	\$11,363,000

Sec. 6005. 2015 3rd sp.s. c 3 s 3187 (uncodified) is amended to read as follows:

# FOR THE STATE CONSERVATION COMMISSION

Dairy Nutrient Demonstration Low Interest Loans (92000009)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for low interest loans for two or more dairy nutrient management demonstration projects, with at least one located west of the cascades and one east of the cascades.

Appropriation:
State Taxable Building Construction Account—State (( <del>\$5,000,000</del> ))
<u>\$0</u>
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL
<u>\$0</u>

Sec. 6006. 2015 3rd sp.s. c 3 s 3188 (uncodified) is amended to read as follows:

# FOR THE STATE CONSERVATION COMMISSION

Conservation Commission Ranch and Farmland Preservation Projects (92000004)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the following list of ranch land preservation projects:

1 I J
Lust family farm and ranch preservation
Imrie ranches Rock creek agricultural easement       \$4,913,000         Kelley ranches agricultural easement       ((\$2,316,000))
State Building Construction Account—State       \$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$
\$7,522,000           Prior Biennia (Expenditures)         \$0           Future Biennia (Projected Costs)         \$0           TOTAL         \$(\$9,192,000))           \$7,522,000         \$7,522,000
Sec. 6007. 2016 sp.s c 35 s 2011 (uncodified) is amended to read as
follows: <b>FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES</b> Western State Hospital: New Civil Ward (92000022) Appropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$0 Future Biennia (Projected Costs)\$0 TOTAL
<u>NEW SECTION.</u> Sec. 6008. A new section is added to 2015 3rd sp.s. c 3 (uncodified) to read as follows:
FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES Behavioral Health: Compliance with Systems Improvement Agreement (30003849)
Appropriation:         State Building Construction Account—State         Prior Biennia (Expenditures)         \$0         Future Biennia (Projected Costs)         TOTAL
Sec. 6009. 2016 sp.s c 35 s 3018 (uncodified) is amended to read as follows:

follows:

## FOR THE DEPARTMENT OF ECOLOGY

Low Interest Loans for Drought Wells (92000148)

The appropriation in this section is subject to the following conditions and limitations: The department shall establish a low-interest loan program to allow agricultural or public entities to drill or retrofit wells to mitigate the effects of drought. For loans that are repaid within five years, the interest rate must be thirty percent of the average rate for twenty year municipal bonds as published in the bond buyer index, and for loans that are repaid between five and twenty years, the rate must be sixty percent of the average rate for twenty year

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municipal bonds as published in the bond buyer index. A well that is funded by this program may be operated only during a drought declaration. Appropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)
<u>NEW SECTION.</u> Sec. 6010. A new section is added to 2015 3rd sp.s. c 3 (uncodified) to read as follows:
FOR THE DEPARTMENT OF CORRECTIONS
MCCCW: Critical DNR Replacement Space (30001170) Appropriation:
State Building Construction Account—State       \$375,000         Prior Biennia (Expenditures)       \$0
Future Biennia (Projected Costs).\$0TOTAL\$375,000
Sec. 6011. 2015 3rd sp.s. c 3 s 3198 (uncodified) is amended to read as
follows: FOR THE DEPARTMENT OF FISH AND WILDLIFE
Eells Spring Hatchery Renovation (30000214) Appropriation:
State Building Construction Account—State
Prior Biennia (Expenditures)\$0 Future Biennia (Projected Costs)
TOTAL
Sec. 6012. 2015 3rd sp.s. c 3 s 3200 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF FISH AND WILDLIFE Minter Hatchery Intakes (30000277)
Appropriation: State Building Construction Account—State
\$105,000           Prior Biennia (Expenditures)           \$0
Future Biennia (Projected Costs)
TOTAL
Sec. 6013. 2015 3rd sp.s. c 3 s 3202 (uncodified) is amended to read as
follows: <b>FOR THE DEPARTMENT OF FISH AND WILDLIFE</b> (( <del>Nasselle</del> )) <u>Naselle</u> Hatchery Renovation (30000671)
Appropriation: State Building Construction Account—State

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	<u>\$132,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	(( <del>\$13,556,000</del> ))
	\$17,056,000
TOTAL	(( <del>\$13,831,000</del> ))
	\$17,188,000
$S_{00} = (014 - 2016 25 - 1016$	

Sec. 6014. 2016 sp.s. c 35 s 1016 (uncodified) is amended to read as follows:

# FOR THE OFFICE OF FINANCIAL MANAGEMENT

Emergency Repairs (90000301)

The appropriation in this section is subject to the following conditions and limitations: 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, an emergency declaration signed by the affected agency director must be submitted to the office of financial management and the appropriate legislative fiscal committees. The emergency declaration must include a description of the health and safety hazard, 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. 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. The office of financial management must notify the legislative evaluation and accountability program committee, the house capital budget committee, and senate ways and means committee as emergency projects are approved for funding.

#### Appropriation:

State Building Construction Account—State	(( <del>\$7,000,000</del> ))
	\$6,662,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	(( <del>\$7,000,000</del> ))
	\$6,662,000

**Sec. 6015.** RCW 70.340.130 and 2016 c 161 s 21 are each amended to read as follows:

(1) On July 1, 2016, if the cash balance amount in the pollution liability insurance program trust account exceeds seven million five hundred thousand dollars after excluding the reserves under RCW 70.148.020(2), the state treasurer shall transfer the amount exceeding seven million five hundred thousand dollars, up to a transfer of ten million dollars, from the pollution liability insurance program trust account into the pollution liability insurance agency underground storage tank revolving account. If ten million dollars is not available to be transferred on July 1, 2016, then by the end of fiscal year 2017, if the cash balance amount in the pollution liability insurance program trust account exceeds seven million five hundred thousand dollars after excluding the reserves under RCW 70.148.020(2), the state treasurer shall transfer the amount exceeding seven million five hundred thousand dollars from the pollution

<u>liability</u> insurance program trust account into the pollution liability insurance agency underground storage tank revolving account. The total amount transferred in fiscal year 2017 from the pollution liability insurance program trust account into the pollution liability insurance agency underground storage tank revolving account may not exceed ten million dollars.

(2) On July 1, 2017, and every two years thereafter at the start of each successive biennium, if the cash balance amount in the pollution liability insurance program trust account exceeds seven million five hundred thousand dollars, the state treasurer shall transfer the amount exceeding seven million five hundred thousand dollars after excluding the reserves under RCW 70.148.020(2), up to a transfer of twenty million dollars, from the pollution liability insurance program trust account into the pollution liability insurance agency underground storage tank revolving account. If twenty million dollars is not available to be transferred at the beginning of the first fiscal year of the biennium, ((on July 1st)) by the end of the subsequent fiscal year, if the cash balance amount in the pollution liability insurance program trust account exceeds seven million five hundred thousand dollars after excluding the reserves under RCW 70.148.020(2), the state treasurer shall transfer the amount exceeding seven million five hundred thousand dollars from the pollution liability insurance program trust account into the pollution liability insurance agency underground storage tank revolving account. The total amount transferred in a biennium from the pollution liability insurance program trust account into the pollution liability insurance agency underground storage tank revolving account may not exceed twenty million dollars.

Sec. 6016. 2016 sp.s. c 35 s 6015 (uncodified) is amended to read as follows:

## STATE TREASURER TRANSFER AUTHORITY

environmental legacy stewardship account ..... \$30,000,000

(1) As directed by the department of ecology in consultation with the office of financial management, the state treasurer shall transfer amounts among the state toxics control account, the local toxics control account, and the environmental legacy stewardship account as needed during the 2015-2017 fiscal biennium to maintain positive account balances in all three accounts.

(2) As directed by the department of ecology in consultation with the office of financial management, the state treasurer shall transfer amounts from the cleanup settlement account established in RCW 70.105D.130 to the state toxics control account, the local toxics control account or the environmental legacy stewardship account to maintain positive account balances up to an amount not to exceed \$23,000,000 that must be considered an ((inter fund)) interfund loan that must be repaid with interest to the cleanup settlement account in three equal repayments in fiscal years (( $\frac{2019}{2}$ )) 2020, ((and)) 2021, and 2022.

(3) If, after using the ((inter-fund)) interfund transfer authority granted in this section, the department of ecology determines that further reductions are needed to maintain positive account balances in the state toxics control account, the local toxics control account, and the environmental legacy stewardship

account, the department is authorized to delay the start of clean-up projects based on acuity of need, readiness to proceed, cost-efficiency, or need to ensure geographic distribution.

(4) By June 30, 2017, the department must submit a list of projects that were delayed to the office of financial management and the appropriate fiscal committees of the legislature.

## PART 7

### MISCELLANEOUS PROVISIONS

<u>NEW SECTION.</u> Sec. 7001. To ensure that major construction projects are carried out in accordance with legislative and executive intent, appropriations in this act in excess of \$5,000,000, or \$10,000,000 for higher education institutions, may not be expended or encumbered until the office of financial management has reviewed and approved the agency's predesign. 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.

<u>NEW SECTION.</u> Sec. 7002. For facilities with an area of 5,000 square feet or greater, the results of a life-cycle cost analysis of building systems must be a primary consideration in the selection of a building design. Construction may proceed only upon providing to the office of financial management the life-cycle costs.

<u>NEW SECTION.</u> Sec. 7003. To improve monitoring of major construction projects, progress reports must be submitted by the agency administering the project to the office of financial management and to the fiscal committees of the house of representatives and senate. Reports must be submitted on July 1st and December 31st each year in a format to be determined by the office of financial management.

<u>NEW SECTION.</u> Sec. 7004. (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.

<u>NEW SECTION.</u> Sec. 7005. (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 legislative fiscal committees of the senate and house of representatives 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.

<u>NEW SECTION.</u> Sec. 7006. (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.

<u>NEW SECTION.</u> Sec. 7007. (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. 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. Considers 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, reduce the energy use by fifty percent below prerenovations baseline.

(d) On-site renewable energy: Meet at least thirty percent of the hot water demand through the installation of solar hot water heaters, when life-cycle cost effective. Implement renewable energy generation projects on agency property for agency use, when life-cycle cost effective.

(e) Measurement and verification: 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. Install dashboards inside buildings to display and incentivize occupants on energy use.

(f) Benchmarking: Compare actual 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 for laboratory buildings. Web-based data collection and dashboards must also be provided.

<u>NEW SECTION.</u> Sec. 7008. 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.

<u>NEW SECTION.</u> Sec. 7009. Executive Order No. 05-05, archaeological and cultural resources, was issued effective November 10, 2005. Agencies shall comply with the requirements set forth in this executive order.

<u>NEW SECTION.</u> Sec. 7010. 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.

<u>NEW SECTION.</u> Sec. 7011. 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.

<u>NEW SECTION.</u> Sec. 7012. (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.

<u>NEW SECTION.</u> Sec. 7013. 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.

<u>NEW SECTION.</u> Sec. 7014. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate June 30, 2017. Passed by the House June 30, 2017. Approved by the Governor July 1, 2017. Filed in Office of Secretary of State July 3, 2017.

## CHAPTER 5

[Substitute Senate Bill 5975] PAID FAMILY AND MEDICAL LEAVE

AN ACT Relating to paid family and medical leave; amending RCW 49.76.020, 49.76.130, 49.77.020, and 49.77.030; reenacting and amending RCW 50.29.021 and 43.79A.040; adding new sections to chapter 49.77 RCW; adding a new Title to the Revised Code of Washington to be codified as Title 50A RCW; repealing RCW 49.78.010, 49.78.020, 49.78.090, 49.78.220, 49.78.230, 49.78.240, 49.78.250, 49.78.260, 49.78.270, 49.78.280, 49.78.390, 49.78.300, 49.78.310, 49.78.320, 49.78.330, 49.78.340, 49.78.350, 49.78.360, 49.78.370, 49.78.380, 49.78.390, 49.78.400, 49.78.410, 49.78.901, 49.78.904, 49.86.055, 49.86.010, 49.86.020, 49.86.030, 49.86.040, 49.86.140, 49.86.150, 49.86.160, 49.86.170, 49.86.180, 49.86.210, 49.86.902, and 49.86.903; prescribing penalties; and providing an effective date.

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

<u>NEW SECTION.</u> Sec. 1. INTENT. The legislature finds that the demands of the workplace and of families need to be balanced to promote family stability and economic security. The legislature also finds that families across the state own and operate businesses. Workplace leave policies are desirable to accommodate changes in the workforce such as rising numbers of dual-career couples, working single parents, and an aging population. In addition the impact of significant new requirements should be reasonably balanced to help small businesses thrive.

The legislature also finds that access to paid leave is associated with many important health benefits. Research confirms that paid leave results in decreased infant mortality and more well-baby visits and reductions in maternal postpartum depression and stress. The legislature further finds that paid leave increases the duration of breastfeeding, which supports bonding, stimulates positive neurological and psychological development, strengthens a child's immune system, and reduces the risks of serious or costly health problems such as asthma, acute ear infections, obesity, Type 2 diabetes, leukemia, and sudden infant death syndrome. The legislature also finds that when fathers have access

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to paid leave they are more directly engaged during the child's first few months, thereby increasing father infant bonding and reducing overall stress on the family.

The legislature declares it to be in the public interest to create a family and medical leave insurance program to provide reasonable paid family leave for the birth or placement of a child with the employee, for the care of a family member who has a serious health condition, and for a qualifying exigency under the federal family and medical leave act, and reasonable paid medical leave for an employee's own serious health condition and to reasonably assist businesses in implementing and maintaining a program to support their employees and family.

<u>NEW SECTION.</u> Sec. 2. DEFINITIONS. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Child" includes a biological, adopted, or foster child, a stepchild, or a child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status.

(2) "Commissioner" means the commissioner of the department or the commissioner's designee.

(3) "Department" means the employment security department.

(4)(a) "Employee" means an individual who is in the employment of an employer.

(b) "Employee" does not include employees of the United States of America.

(5) "Employee's average weekly wage" means the quotient derived by dividing the employee's total wages during the two quarters of the employee's qualifying period in which total wages were highest by twenty-six. If the result is not a multiple of one dollar, the department must round the result to the next lower multiple of one dollar.

(6)(a) "Employer" means: (i) Any individual or type of organization, including any partnership, association, trust, estate, joint stock company, insurance company, limited liability company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee, or the legal representative of a deceased person, having any person in employment or, having become an employer, has not ceased to be an employer as provided in this chapter; (ii) the state, state institutions, and state agencies; and (iii) any unit of local government including, but not limited to, a county, city, town, municipal corporation, quasi-municipal corporation, or political subdivision.

(b) "Employer" does not include the United States of America.

(7)(a) "Employment" means personal service, of whatever nature, unlimited by the relationship of master and servant as known to the common law or any other legal relationship performed for wages or under any contract calling for the performance of personal services, written or oral, express or implied. The term "employment" includes an individual's entire service performed within or without or both within and without this state, if:

(i) The service is localized in this state; or

(ii) The service is not localized in any state, but some of the service is performed in this state; and

(A) The base of operations of the employee is in the state, or if there is no base of operations, then the place from which such service is directed or controlled is in this state; or (B) The base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(b) "Employment" does not include:

(i) Self-employed individuals;

(ii) Services for remuneration when it is shown to the satisfaction of the commissioner that:

(A)(I) Such individual has been and will continue to be free from control or direction over the performance of such service, both under his or her contract of service and in fact; and

(II) Such service is either outside the usual course of business for which such service is performed, or that such service is performed outside of all the places of business of the enterprises for which such service is performed; and

(III) Such individual is customarily engaged in an independently established trade, occupation, profession, or business, of the same nature as that involved in the contract of service; or

(B) As a separate alternative:

(I) Such individual has been and will continue to be free from control or direction over the performance of such service, both under his or her contract of service and in fact; and

(II) Such service is either outside the usual course of business for which such service is performed, or that such service is performed outside of all the places of business of the enterprises for which such service is performed, or the individual is responsible, both under the contract and in fact, for the costs of the principal place of business from which the service is performed; and

(III) Such individual is customarily engaged in an independently established trade, occupation, profession, or business, of the same nature as that involved in the contract of service, or such individual has a principal place of business for the work the individual is conducting that is eligible for a business deduction for federal income tax purposes; and

(IV) On the effective date of the contract of service, such individual is responsible for filing at the next applicable filing period, both under the contract of service and in fact, a schedule of expenses with the internal revenue service for the type of business the individual is conducting; and

(V) On the effective date of the contract of service, or within a reasonable period after the effective date of the contract, such individual has established an account with the department of revenue, and other state agencies as required by the particular case, for the business the individual is conducting for the payment of all state taxes normally paid by employers and businesses and has registered for and received a unified business identifier number from the state of Washington; and

(VI) On the effective date of the contract of service, such individual is maintaining a separate set of books or records that reflect all items of income and expenses of the business which the individual is conducting; or

(iii) Services that require registration under chapter 18.27 RCW or licensing under chapter 19.28 RCW rendered by an individual when:

(A) The individual has been and will continue to be free from control or direction over the performance of the service, both under the contract of service and in fact;

(B) The service is either outside the usual course of business for which the service is performed, or the service is performed outside of all the places of business of the enterprise for which the service is performed, or the individual is responsible, both under the contract and in fact, for the costs of the principal place of business from which the service is performed;

(C) The individual is customarily engaged in an independently established trade, occupation, profession, or business, of the same nature as that involved in the contract of service, or the individual has a principal place of business for the business the individual is conducting that is eligible for a business deduction for federal income tax purposes, other than that furnished by the employer for which the business has contracted to furnish services;

(D) On the effective date of the contract of service, the individual is responsible for filing at the next applicable filing period, both under the contract of service and in fact, a schedule of expenses with the internal revenue service for the type of business the individual is conducting;

(E) On the effective date of the contract of service, or within a reasonable period after the effective date of the contract, the individual has an active and valid certificate of registration with the department of revenue, and an active and valid account with any other state agencies as required by the particular case, for the business the individual is conducting for the payment of all state taxes normally paid by employers and businesses and has registered for and received a unified business identifier number from the state of Washington;

(F) On the effective date of the contract of service, the individual is maintaining a separate set of books or records that reflect all items of income and expenses of the business that the individual is conducting; and

(G) On the effective date of the contract of service, the individual has a valid contractor registration pursuant to chapter 18.27 RCW or an electrical contractor license pursuant to chapter 19.28 RCW.

(8) "Employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions except benefits that are provided by a practice or written policy of an employer or through an employee benefit plan as defined in 29 U.S.C. Sec. 1002(3).

(9) "Family leave" means any leave taken by an employee from work:

(a) To participate in providing care, including physical or psychological care, for a family member of the employee made necessary by a serious health condition of the family member;

(b) To bond with the employee's child during the first twelve months after the child's birth, or the first twelve months after the placement of a child under the age of eighteen with the employee; or

(c) Because of any qualifying exigency as permitted under the federal family and medical leave act, 29 U.S.C. Sec. 2612(a)(1)(e) and 29 C.F.R. Sec. 825.126(a)(1) through (8), as they existed on the effective date of this section for family members as defined in subsection (10) of this section.

(10) "Family member" means a child, grandchild, grandparent, parent, sibling, or spouse of an employee.

(11) "Grandchild" means a child of the employee's child.

(12) "Grandparent" means a parent of the employee's parent.

(13) "Health care provider" means: (a) A person licensed as a physician under chapter 18.71 RCW or an osteopathic physician and surgeon under chapter 18.57 RCW; (b) a person licensed as an advanced registered nurse practitioner under chapter 18.79 RCW; or (c) any other person determined by the commissioner to be capable of providing health care services.

(14) "Medical leave" means any leave taken by an employee from work made necessary by the employee's own serious health condition.

(15) "Parent" means the biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse, or an individual who stood in loco parentis to an employee when the employee was a child.

(16) "Period of incapacity" means an inability to work, attend school, or perform other regular daily activities because of a serious health condition, treatment of that condition or recovery from it, or subsequent treatment in connection with such inpatient care.

(17) "Premium" or "premiums" means the payments required by section 8 of this act and paid to the department for deposit in the family and medical leave insurance account under section 82 of this act.

(18) "Qualifying period" means the first four of the last five completed calendar quarters or, if eligibility is not established, the last four completed calendar quarters immediately preceding the application for leave.

(19)(a) "Serious health condition" means an illness, injury, impairment, or physical or mental condition that involves:

(i) Inpatient care in a hospital, hospice, or residential medical care facility, including any period of incapacity; or

(ii) Continuing treatment by a health care provider. A serious health condition involving continuing treatment by a health care provider includes any one or more of the following:

(A) A period of incapacity of more than three consecutive, full calendar days, and any subsequent treatment or period of incapacity relating to the same condition, that also involves:

(I) Treatment two or more times, within thirty days of the first day of incapacity, unless extenuating circumstances exist, by a health care provider, by a nurse or physician's assistant under direct supervision of a health care provider, or by a provider of health care services, such as a physical therapist, under orders of, or on referral by, a health care provider; or

(II) Treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the health care provider;

(B) Any period of incapacity due to pregnancy, or for prenatal care;

(C) Any period of incapacity or treatment for such incapacity due to a chronic serious health condition. A chronic serious health condition is one which:

(I) Requires periodic visits, defined as at least twice a year, for treatment by a health care provider, or by a nurse under direct supervision of a health care provider;

(II) Continues over an extended period of time, including recurring episodes of a single underlying condition; and

(III) May cause episodic rather than a continuing period of incapacity, including asthma, diabetes, and epilepsy;

(D) A period of incapacity which is permanent or long term due to a condition for which treatment may not be effective. The employee or family member must be under the continuing supervision of, but need not be receiving active treatment by, a health care provider, including Alzheimer's, a severe stroke, or the terminal stages of a disease; or

(E) Any period of absence to receive multiple treatments, including any period of recovery from the treatments, by a health care provider or by a provider of health care services under orders of, or on referral by, a health care provider, either for: (I) Restorative surgery after an accident or other injury; or (II) a condition that would likely result in a period of incapacity of more than three consecutive, full calendar days in the absence of medical intervention or treatment, such as cancer, severe arthritis, or kidney disease.

(b) The requirement in (a)(i) and (ii) of this subsection for treatment by a health care provider means an in-person visit to a health care provider. The first, or only, in-person treatment visit must take place within seven days of the first day of incapacity.

(c) Whether additional treatment visits or a regimen of continuing treatment is necessary within the thirty-day period shall be determined by the health care provider.

(d) The term extenuating circumstances in (a)(ii)(A)(I) of this subsection means circumstances beyond the employee's control that prevent the follow-up visit from occurring as planned by the health care provider. Whether a given set of circumstances are extenuating depends on the facts. For example, extenuating circumstances exist if a health care provider determines that a second in-person visit is needed within the thirty-day period, but the health care provider does not have any available appointments during that time period.

(e) Treatment for purposes of (a) of this subsection includes, but is not limited to, examinations to determine if a serious health condition exists and evaluations of the condition. Treatment does not include routine physical examinations, eye examinations, or dental examinations. Under (a)(ii)(A)(II) of this subsection, a regimen of continuing treatment includes, but is not limited to, a course of prescription medication, such as an antibiotic, or therapy requiring special equipment to resolve or alleviate the health condition, such as oxygen. A regimen of continuing treatment that includes taking over-the-counter medications, such as aspirin, antihistamines, or salves, or bed rest, drinking fluids, exercise, and other similar activities that can be initiated without a visit to a health care provider, is not, by itself, sufficient to constitute a regimen of continuing treatment for purposes of this chapter.

(f) Conditions for which cosmetic treatments are administered, such as most treatments for acne or plastic surgery, are not serious health conditions unless inpatient hospital care is required or unless complications develop. Ordinarily, unless complications arise, the common cold, the flu, ear aches, upset stomach, minor ulcers, headaches other than migraines, routine dental or orthodontia problems, and periodontal disease are examples of conditions that are not serious health conditions and do not qualify for leave under this chapter. Restorative dental or plastic surgery after an injury or removal of cancerous growths are serious health conditions provided all the other conditions of this section are met. Mental illness resulting from stress or allergies may be serious health conditions, but only if all the conditions of this section are met.

(g)(i) Substance abuse may be a serious health condition if the conditions of this section are met. However, leave may only be taken for treatment for substance abuse by a health care provider or by a licensed substance abuse treatment provider. Absence because of the employee's use of the substance, rather than for treatment, does not qualify for leave under this chapter.

(ii) Treatment for substance abuse does not prevent an employer from taking employment action against an employee. The employer may not take action against the employee because the employee has exercised his or her right to take medical leave for treatment. However, if the employer has an established policy, applied in a nondiscriminatory manner that has been communicated to all employees, that provides under certain circumstances an employee may be terminated for substance abuse, pursuant to that policy the employee may be terminated whether or not the employee is presently taking medical leave. An employee may also take family leave to care for a covered family member who is receiving treatment for substance abuse. The employer may not take action against an employee who is providing care for a covered family member receiving treatment for substance abuse.

(h) Absences attributable to incapacity under (a)(ii)(B) or (C) of this subsection qualify for leave under this chapter even though the employee or the family member does not receive treatment from a health care provider during the absence, and even if the absence does not last more than three consecutive, full calendar days. For example, an employee with asthma may be unable to report for work due to the onset of an asthma attack or because the employee's health care provider has advised the employee to stay home when the pollen count exceeds a certain level. An employee who is pregnant may be unable to report to work because of severe morning sickness.

(20) "Service is localized in this state" has the same meaning as described in RCW 50.04.120.

(21) "Spouse" means a husband or wife, as the case may be, or state registered domestic partner.

(22) "State average weekly wage" means the most recent average weekly wage calculated under RCW 50.04.355 and available on January 1st of each year.

(23) "Typical workweek hours" means:

(a) For an hourly employee, the average number of hours worked per week by an employee since the beginning of the qualifying period; and

(b) Forty hours for a salaried employee, regardless of the number of hours the salaried employee typically works.

(24) "Wage" means the same as "wages" under RCW 50.04.320(2), except that: (a) The term employment as used in RCW 50.04.320(2) is defined in this chapter; and (b) the maximum wages subject to a premium assessment are those wages as set by the commissioner under section 8(4) of this act. "Wages" for purposes of elective coverage under section 9 of this act has the meaning as defined by rule.

<u>NEW SECTION.</u> Sec. 3. BENEFIT ELIGIBILITY. Employees are eligible for family and medical leave benefits as provided in this chapter after working

for at least eight hundred twenty hours in employment during the qualifying period.

<u>NEW SECTION.</u> Sec. 4. LEAVE ENTITLEMENT EXPIRATION. (1) The entitlement to family leave benefits for the birth or placement of a child expires at the end of the twelve-month period beginning on the date of such birth or placement.

(2) The entitlement to family leave benefits for a family member's serious health condition, or leave for qualifying exigency, expires at the end of the twelve-month period beginning on the date of which the employee filed an application for the benefits.

(3) The entitlement to medical leave benefits for the employee's own serious health condition expires at the end of the twelve-month period beginning on the date on which the employee filed an application for medical leave benefits.

<u>NEW SECTION.</u> Sec. 5. LIMITATIONS, DISQUALIFICATIONS, AND EMPLOYEE PENALTIES. (1) An employee is not entitled to paid family or medical leave benefits under this chapter:

(a) For any absence occasioned by the willful intention of the employee to bring about injury to or the sickness of the employee or another, or resulting from any injury or sickness sustained in the perpetration by the employee of an illegal act;

(b) For any family or medical leave commencing before the employee becomes qualified for benefits under this chapter;

(c) For an employee who is on suspension from his or her employment; or

(d) For any day in which a family or medical leave care recipient works at least part of that day for remuneration or profit during the same or substantially similar working hours as those of the employer from which family or medical leave benefits are claimed, except that occasional scheduling adjustments with respect to secondary employments shall not prevent receipt of family or medical leave benefits.

(2) An employer may allow an employee who has accrued vacation, sick, or other paid time off to choose whether: (a) To take such leave; or (b) not to take such leave and receive paid family or medical leave benefits, as provided in section 6 of this act.

(3) An individual is disqualified for benefits for any week he or she has knowingly and willfully made a false statement or representation involving a material fact or knowingly and willfully failed to report a material fact and, as a result, has obtained or attempted to obtain any benefits under the provisions of this chapter. An individual disqualified for benefits under this subsection (3) for the:

(a) First time is disqualified for an additional twenty-six weeks beginning with the Sunday of the week in which the determination is mailed or delivered, and is subject to an additional penalty of fifteen percent of the amount of benefits overpaid or deemed overpaid;

(b) Second time is also disqualified for an additional fifty-two weeks beginning with the Sunday of the week in which the determination is mailed or delivered, and is subject to an additional penalty of twenty-five percent of the amount of benefits overpaid or deemed overpaid; (c) Third time and any time thereafter is also disqualified for an additional one hundred four weeks beginning with the Sunday of the week in which the determination is mailed or delivered, and is subject to an additional penalty of fifty percent of the amount of benefits overpaid or deemed overpaid.

(4) All penalties collected under this section must be deposited in the family and medical leave enforcement account created under section 76 of this act.

<u>NEW SECTION.</u> Sec. 6. BENEFIT AMOUNTS AND DURATION. (1) Beginning January 1, 2020, family and medical leave are available and benefits are payable to a qualified employee under this section. Following a waiting period consisting of the first seven calendar days of leave, benefits are payable when family or medical leave is required. However, no waiting period is required for leave for the birth or placement of a child. Benefits may continue during the continuance of the need for family and medical leave, subject to the maximum and minimum weekly benefits, duration, and other conditions and limitations established in this chapter. Successive periods of family and medical leave caused by the same or related injury or sickness are deemed a single period of family and medical leave only if separated by less than four months.

(2) The weekly benefit shall be prorated by the percentage of hours on leave compared to the number of hours provided as the typical workweek hours as defined in section 2 of this act.

(a) The benefits in this section, if not a multiple of one dollar, shall be reduced to the next lower multiple of one dollar.

(b) Hours on leave claimed for benefits under this chapter, if not a multiple of one hour, shall be reduced to the next lower multiple of one hour.

(c) The minimum claim duration payment is for eight consecutive hours of leave.

(3)(a) The maximum duration of paid family leave may not exceed twelve times the typical workweek hours during a period of fifty-two consecutive calendar weeks.

(b) The maximum duration of paid medical leave may not exceed twelve times the typical workweek hours during a period of fifty-two consecutive calendar weeks. This leave may be extended an additional two times the typical workweek hours if the employee experiences a serious health condition with a pregnancy that results in incapacity.

(c) An employee is not entitled to paid family and medical leave benefits under this chapter that exceeds a combined total of sixteen times the typical workweek hours. The combined total of family and medical leave may be extended to eighteen times the typical workweek hours if the employee experiences a serious health condition with a pregnancy that results in incapacity.

(4) The weekly benefit for family and medical leave shall be determined as follows: If the employee's average weekly wage is: (a) Fifty percent or less of the state average weekly wage, the employee's weekly benefit is ninety percent of the employee's average weekly wage; or (b) greater than fifty percent of the state average weekly wage, the employee's weekly benefit is the sum of: (i) Ninety percent of the employee's average weekly wage up to fifty percent of the state average weekly wage; and (ii) fifty percent of the employee's average weekly wage that is greater than fifty percent of the state average weekly wage. (b) The minimum weekly benefit shall not be less than one hundred dollars per week except that if the employee's average weekly wage at the time of family and medical leave is less than one hundred dollars per week, the weekly benefit shall be the employee's full wage.

NEW SECTION. Sec. 7. TIME OF PAYMENT—CONTESTING APPLICATION. (1) Benefits provided under this chapter shall be paid periodically and promptly, except when an employer contests a period of family or medical leave. The department must send the first benefit payment to the employee within fourteen calendar days after the first properly completed weekly application is received by the department. Subsequent payments must be sent at least biweekly thereafter. If the employer contests an initial application for family or medical leave benefits, the employer must notify the employee and the department in a manner prescribed by the commissioner within eighteen days of receipt of notice from the department of the employee's filing of an application for benefits, as provided under section 29 of this act. Failure to timely contest an initial application shall constitute a waiver of objection to the family or medical leave application. Any inquiry which requires the employee's response in order to continue benefits uninterrupted or unmodified shall provide a reasonable time period in which to respond and include a clear and prominent statement of the deadline for responding and consequences of failing to respond.

(2) If an employee has received one or more benefit payments under this chapter, is in continued claim status, and his or her eligibility for benefits is questioned by the department or contested by the employer, the employee will be conditionally paid benefits without delay for any periods for which the employee files a claim for benefits, until and unless the employee has been provided adequate notice and an opportunity to be heard. The employee's right to retain such payments is conditioned upon the department's finding the employee to be eligible for such payments.

(a) At the employee's request, the department may hold conditional payments until the question of eligibility has been resolved.

(b) Payments will be issued for any benefits withheld under (a) of this subsection if the department determines the employee is eligible for benefits.

(c) If it is determined that the employee is ineligible for the weeks paid conditionally, the overpayment cannot be waived and must be repaid.

(3) The department must develop, in rule, a process by which an employer may contest an initial application for family or medical leave benefits.

<u>NEW SECTION.</u> Sec. 8. PREMIUMS. (1)(a) Beginning January 1, 2019, the department shall assess for each individual in employment with an employer and for each individual electing coverage a premium based on the amount of the individual's wages subject to subsection (4) of this section.

(b) The premium rate for family leave benefits shall be equal to one-third of the total premium rate.

(c) The premium rate for medical leave benefits shall be equal to two-thirds of the total premium rate.

(2) For calendar year 2022 and thereafter, the commissioner shall determine the percentage of paid claims related to family leave benefits and the percentage of paid claims related to medical leave benefits and adjust the premium rates set in subsection (1)(b) and (c) of this section by the proportional share of paid claims.

(3)(a) Beginning January 1, 2019, and ending December 31, 2020, the total premium rate shall be four-tenths of one percent of the individual's wages subject to subsection (4) of this section.

(b) For family leave premiums, an employer may deduct from the wages of each employee up to the full amount of the premium required.

(c) For medical leave premiums, an employer may deduct from the wages of each employee up to forty-five percent of the full amount of the premium required.

(d) An employer may elect to pay all or any portion of the employee's share of the premium for family leave or medical leave benefits, or both.

(4) The commissioner must annually set a maximum limit on the amount of wages that is subject to a premium assessment under this section that is equal to the maximum wages subject to taxation for social security as determined by the social security administration.

(5)(a) Employers with fewer than fifty employees employed in the state are not required to pay the employer portion of premiums for family and medical leave.

(b) If an employer with fewer than fifty employees elects to pay the premiums, the employer is then eligible for assistance under section 84 of this act.

(6) For calendar year 2021 and thereafter, the total premium rate shall be based on the family and medical leave insurance account balance ratio as of September 30th of the previous year. The commissioner shall calculate the account balance ratio by dividing the balance of the family and medical leave insurance account by total covered wages paid by employers and those electing coverage. The division shall be carried to the fourth decimal place with the remaining fraction disregarded unless it amounts to five hundred-thousandths or more, in which case the fourth decimal place shall be rounded to the next higher digit. If the account balance ratio is:

(a) Zero to nine hundredths of one percent, the premium is six tenths of one percent of the individual's wages;

(b) One tenth of one percent to nineteen hundredths of one percent, the premium is five tenths of one percent of the individual's wages;

(c) Two tenths of one percent to twenty-nine hundredths of one percent, the premium is four tenths of one percent of the individual's wages;

(d) Three tenths of one percent to thirty-nine hundredths of one percent, the premium is three tenths of one percent of the individual's wages;

(e) Four tenths of one percent to forty-nine hundredths of one percent, the premium is two tenths of one percent of the individual's wages; or

(f) Five tenths of one percent or greater, the premium is one tenth of one percent of the individual's wages.

(7) Beginning January 1, 2021, if the account balance ratio calculated in subsection (6) of this section is below five hundredths of one percent, the commissioner must assess a solvency surcharge at the lowest rate necessary to provide revenue to pay for the administrative and benefit costs of family and medical leave, for the calendar year, as determined by the commissioner. The solvency surcharge shall be at least one-tenth of one percent and no more than six-tenths of one percent and be added to the total premium rate for family and medical leave benefits.

(8)(a) The employer must collect from the employees the premiums and any surcharges provided under this section through payroll deductions and remit the amounts collected to the department.

(b) In collecting employee premiums through payroll deductions, the employer shall act as the agent of the employees and shall remit the amounts to the department as required by this chapter.

(c) On September 30th of each year, the department shall average the number of employees reported by an employer over the last four completed calendar quarters to determine the size of the employer for the next calendar year for the purposes of sections 8 and 84 of this act.

(9) Premiums shall be collected in the manner and at such intervals as provided in this chapter and directed by the department.

(10) Premiums collected under this section are placed in trust for the employees and employers that the program is intended to assist.

(11) A city, code city, town, county, or political subdivision may not enact a charter, ordinance, regulation, rule, or resolution:

(a) Creating a paid family or medical leave insurance program that alters or amends the requirements of this chapter for any private employer;

(b) Providing for local enforcement of the provisions of this chapter; or

(c) Requiring private employers to supplement duration of leave or amount of wage replacement benefits provided under this chapter.

<u>NEW SECTION.</u> Sec. 9. PREMIUMS—OUT-OF-STATE WAIVER. (1) An employer may file an application with the department for a conditional waiver for the payment of family and medical leave premiums, assessed under section 8 of this act, for any employee who is:

(a) Physically based outside of the state;

(b) Employed in the state on a limited or temporary work schedule; and

(c) Not expected to be employed in the state for eight hundred twenty hours or more in a qualifying period.

(2) The department must approve an application that has been signed by both the employee and employer verifying their belief that the conditions in this subsection will be met during the qualifying period.

(3) If the employee exceeds the eight hundred twenty hours or more in a qualifying period, the conditional waiver expires and the employer and employee will be responsible for their shares of all premiums that would have been paid during the qualifying period in which the employee exceeded the eight hundred twenty hours had the waiver not been granted. Upon payment of the missed premiums, the employee will be credited for the hours worked and will be eligible for benefits under this chapter as if the premiums were originally paid.

<u>NEW SECTION.</u> Sec. 10. ELECTIVE COVERAGE. (1) For benefits payable beginning January 1, 2020, any self-employed person, including a sole proprietor, independent contractor, partner, or joint venturer, may elect coverage under this chapter for an initial period of not less than three years and subsequent periods of not less than one year immediately following a period of coverage. Those electing coverage under this section must elect coverage for both family leave and medical leave and are responsible for payment of one hundred percent of all premiums assessed to an employee under section 8 of this act. The selfemployed person must file a notice of election in writing with the department, in a manner as required by the department in rule. The self-employed person is eligible for family and medical leave benefits after working eight hundred twenty hours in the state during the qualifying period following the date of filing the notice.

(2) A self-employed person who has elected coverage may withdraw from coverage within thirty days after the end of each period of coverage, or at such other times as the commissioner may adopt by rule, by filing a notice of withdrawal in writing with the commissioner, such withdrawal to take effect not sooner than thirty days after filing the notice with the commissioner.

(3) The department may cancel elective coverage if the self-employed person fails to make required payments or file reports. The department may collect due and unpaid premiums and may levy an additional premium for the remainder of the period of coverage. The cancellation shall be effective no later than thirty days from the date of the notice in writing advising the self-employed person of the cancellation.

(4) Those electing coverage are considered employers or employees where the context so dictates.

(5) For the purposes of this section, "independent contractor" means an individual excluded from employment under section 2(7)(b) (ii) and (iii) of this act.

(6) In developing and implementing the requirements of this section, the department shall adopt government efficiencies to improve administration and reduce costs. These efficiencies may include, but are not limited to, requiring that payments be made in a manner and at intervals unique to the elective coverage program.

(7) The department shall adopt rules for determining the hours worked and the wages of individuals who elect coverage under this section and rules for enforcement of this section.

<u>NEW SECTION.</u> Sec. 11. TRIBES. A federally recognized tribe may elect coverage under section 9 of this act. The department shall adopt rules to implement this section.

<u>NEW SECTION.</u> Sec. 12. NOTICE TO EMPLOYERS. (1) If the necessity for leave for the birth or placement of a child with the employee is foreseeable based on an expected birth or placement, the employee shall provide the employer with not less than thirty days' notice, before the date the leave is to begin, of the employee's intention to take leave for the birth or placement of a child, except that if the date of the birth or placement requires leave to begin in less than thirty days, the employee shall provide such notice as is practicable. (2) If the necessity for leave for a family member's serious health condition or the employee's serious health condition is foreseeable based on planned medical treatment, the employee:

(a) Must make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee or the health care provider of the family member, as appropriate; and

(b) Must provide the employer with not less than thirty days' notice, before the date the leave is to begin, of the employee's intention to take leave for a family member's serious health condition or the employee's serious health condition, except that if the date of the treatment requires leave to begin in less than thirty days, the employee must provide such notice as is practicable.

<u>NEW SECTION.</u> Sec. 13. APPLICATION, CERTIFICATION, AND VERIFICATION. (1) Family and medical leave insurance benefits are payable to an employee during a period in which the employee is unable to perform his or her regular or customary work because he or she is on family and medical leave if the employee:

(a) Files an application for benefits as required by rules adopted by the commissioner;

(b) Has met the eligibility requirements of section 3 of this act or the elective coverage requirements under section 10 of this act;

(c) Consents to the disclosure of information or records deemed private and confidential under state law. Initial disclosure of this information and these records by another state agency to the department is solely for purposes related to the administration of this chapter. Further disclosure of this information or these records is subject to chapter 50.13 RCW and sections 29(3) and 33 of this act;

(d) Discloses whether or not he or she owes child support obligations as defined in RCW 50.40.050;

(e) Provides his or her social security number;

(f) Provides a document authorizing the family member's or employee's health care provider, as applicable, to disclose the family member's or employee's health care information in the form of the certification of a serious health condition;

(g) Provides the employer from whom family and medical leave is to be taken with written notice of the employee's intention to take family leave in the same manner as an employee is required to provide notice in section 12 of this act and, in the employee's initial application for benefits, attests that written notice has been provided; and

(h) If requested by the employer, provides documentation of a military exigency.

(2) An employee who is not in employment for an employer at the time of filing an application for benefits is exempt from subsection (1)(g) and (h) of this section.

<u>NEW SECTION.</u> Sec. 14. VOLUNTARY PLAN—GENERAL. (1) An employer may apply to the commissioner for approval of a voluntary plan for the payment of either family leave benefits or medical leave benefits, or both. The application must be submitted on a form and in the manner as prescribed by the

commissioner in rule. The fee for the department's review of each application for approval of a voluntary plan is two hundred fifty dollars.

(2) The benefits payable as indemnification for loss of wages under any voluntary plan must be separately stated and designated separately and distinctly in the plan from other benefits, if any.

(3) Neither an employee nor his or her employer are liable for any premiums for benefits covered by an approved voluntary plan.

(4) Except as provided in this section, an employee covered by an approved voluntary plan at the commencement of a period of family leave or a medical leave benefit period is not entitled to benefits from the state program. Benefits payable to that employee is the liability of the approved voluntary plan under which the employee was covered at the commencement of the family leave or medical leave benefit period, regardless of any subsequent serious health condition or family leave which may occur during the benefit period. The commissioner must adopt rules to allow benefits or prevent duplication of benefits to employees simultaneously covered by one or more approved voluntary plans and the state program.

(5) The commissioner must approve any voluntary plan as to which the commissioner finds that there is at least one employee in employment and all of the following exist:

(a) The benefits afforded to the employees must be at least equivalent to the benefits the employees are entitled to as part of the state's family and medical leave program, including but not limited to the duration of leave. The employer must offer at least one-half of the length of leave as provided in section 6(2) of this act with pay and provide a monetary payment in an amount equal to or higher than the total amount of monetary benefits the employee would be entitled to receive as part of the state-run program. The employer may offer the same duration of leave and monetary benefits as offered under the state program.

(b) The sick leave an employee is entitled to under RCW 49.46.210 is in addition to the employer's provided benefits and is in addition to any family and medical leave benefits.

(c) The plan is available to all of the eligible employees of the employer employed in this state, including future employees.

(d) The employer has agreed to make the payroll deductions required, if any, and transmit the proceeds to the department for any portions not collected for the voluntary plan.

(e) The plan will be in effect for a period of not less than one year and, thereafter, continuously unless the commissioner finds that the employer has given notice of withdrawal from the plan in a manner specified by the commissioner in rule. The plan may be withdrawn by the employer on the date of any law increasing the benefit amounts or the date of any change in the rate of employee premiums, if notice of the withdrawal from the plan is transmitted to the commissioner not less than thirty days prior to the date of that law or change. If the plan is not withdrawn, it must be amended to conform to provide the increased benefit amount or change in the rate of the employee's premium on the date of the increase or change.

(f) The amount of payroll deductions from the wages of an employee in effect for any voluntary plan may not exceed the maximum payroll deduction for that employee as authorized under section 8 of this act. The deductions may not be increased on other than an anniversary of the effective date of the plan, except to the extent that any increase in the deductions from the wages of an employee do not exceed the maximum rate authorized under the state program.

(g) The voluntary plan provides that an employee of an employer with a voluntary plan for either family leave or medical leave, or both, is eligible for the plan benefits if the employee meets the requirements of section 3 of this act and has worked at least three hundred forty hours for the employer during the twelve months immediately preceding the date leave will commence.

(h) The voluntary plan provides that an employee of an employer with a voluntary plan for either family leave or medical leave, or both, who takes leave under the voluntary plan is entitled to the employment protection provisions contained in section 31 of this act if the employee has worked for the employer for at least nine months and nine hundred sixty-five hours during the twelve months immediately preceding the date leave will commence.

(i) The voluntary plan provides that the employer maintains the employee's existing health benefits as provided under section 70 of this act.

(6)(a) The department must conduct a review of the expenses incurred in association with the administration of the voluntary plans during the first three years after implementation and report its findings to the legislature.

(b) The review must include an analysis of the adequacy of the fee in subsection (1) of this section to cover the department's administrative expenses related to reviewing and approving or denying the applications and administering appeals related to voluntary plans. The review must include an estimate of the next year's projected administrative costs related to the voluntary plans. The legislature shall adjust the fee in subsection (1) of this section as needed to ensure the department's administrative expenses related to the voluntary plans are covered by the fee.

(c) If the current receipts from the fee in subsection (1) of this section are inadequate to cover the department's administrative expenses related to the voluntary plans, the department may use funds from the family and medical leave insurance account under section 82 of this act to pay for these expenses.

<u>NEW SECTION.</u> Sec. 15. VOLUNTARY PLAN—SUCCESSOR EMPLOYER. A voluntary plan in force and effect at the time a successor acquires the organization, trade, or business, or substantially all the assets thereof, or a distinct and severable portion of the organization, trade, or business, and continues its operation without substantial reduction of personnel resulting from the acquisition, must continue the voluntary plan and may not withdraw the plan without a specific request for withdrawal in a manner and at a time specified by the commissioner. A successor may terminate a voluntary plan with notice to the commissioner and without a request to withdraw the plan within ninety days from the date of the acquisition.

<u>NEW SECTION.</u> Sec. 16. VOLUNTARY PLAN—REAPPROVAL. The employer must have the voluntary plan approved by the commissioner annually for the first three years. After the first three years, the employer is only required to have the approval if the employer makes changes to the plan that were not mandated by changes to state law.

<u>NEW SECTION.</u> Sec. 17. VOLUNTARY PLAN—EMPLOYEE COSTS. An employer may assume all or a greater part of the cost of the voluntary plan than required under the state program. An employer may deduct from the wages of an employee covered by the voluntary plan, for the purpose of providing the benefits specified in this chapter, an amount not in excess of that which would be required if the employee was not covered by the plan.

<u>NEW SECTION.</u> Sec. 18. VOLUNTARY PLAN—WAGE DEDUCTIONS UPONWITHDRAWAL. All deductions from the wages of an employee remaining in the possession of the employer upon the employer's withdrawal of the voluntary plan as a result of plan contributions being in excess of plan costs, that are not disposed of in conformity with the department's rules, must be remitted to the department and deposited in the family and medical leave insurance account.

<u>NEW SECTION.</u> Sec. 19. VOLUNTARY PLAN—TRUST FUNDS. Any employee contributions to and income arising from an approved voluntary plan received or retained by an employer under an approved voluntary plan are trust funds that are not considered to be part of an employer's assets. An employer must maintain a separate, specifically identifiable account for voluntary plan trust funds in a financial institution.

<u>NEW SECTION.</u> Sec. 20. VOLUNTARY PLANS—PENALTIES. (1) An employer of a voluntary plan found to have violated this act shall be assessed the following monetary penalties:

(a) One thousand dollars for the first violation; and

(b) Two thousand dollars for the second and subsequent violations.

(2) The commissioner shall waive collection of the penalty if the employer corrects the violation within thirty days of receiving a notice of the violation and the notice is for a first violation.

(3) The commissioner may waive collection of any penalties if the commissioner determines the violation to be an inadvertent error by the employer.

(4) Monetary penalties collected under this section shall be deposited in the family and medical leave enforcement account.

(5) The department shall enforce the collection of penalties through conference and conciliation.

(6) These penalties may be appealed as provided in sections 34 through 53 of this act.

<u>NEW SECTION.</u> Sec. 21. VOLUNTARY PLAN—TERMINATION. (1) The commissioner may terminate any voluntary plan if the commissioner finds that there is risk that the benefits accrued or that will accrue will not be paid or for other good cause shown.

(2) The commissioner must give notice of the commissioner's intention to terminate a plan to the employer at least ten days before taking any final action. The notice must state the effective date and the reason for the termination.

(3) On the effective date of the termination of a plan by the commissioner, all moneys in the plan, including moneys paid by the employer, moneys paid by the employees, moneys owed to the voluntary plan by the employer but not yet paid to the plan, and any interest accrued on all these moneys, must be remitted to the department and deposited into the family and medical leave insurance account.

(4) The employer may, within ten days from mailing or personal service of the notice, file an appeal in the time, manner, method, and procedure provided in section 34 of this act.

(5) The payment of benefits and the transfer of moneys in the voluntary plan may not be delayed during an employer's appeal of the termination of a voluntary plan.

(6) If an employer's voluntary plan has been terminated by the commissioner the employer is not eligible to apply for approval of another voluntary plan for a period of three years.

<u>NEW SECTION.</u> Sec. 22. VOLUNTARY PLAN—EMPLOYEES COVERED. (1) To be eligible for any family and medical leave, an employee must be in employment for eight hundred twenty hours during the qualifying period, by an employer with a voluntary plan or an employer utilizing the state family and medical leave plan. An employee qualifies for benefits under an employer's voluntary plan only after the employee works at least three hundred forty hours for the current employer.

(2) An employee who had coverage under the state plan retains coverage under the state plan until such time as the employee is qualified for coverage under the new employer's voluntary plan.

(3) An employee who was eligible for benefits under a voluntary plan is immediately eligible for benefits under a new employer's voluntary plan.

<u>NEW SECTION.</u> Sec. 23. VOLUNTARY PLAN—EMPLOYEES NO LONGER COVERED. (1) An employee is no longer covered by an approved voluntary plan if family leave or the employee's medical leave occurred after the employment relationship with the voluntary plan employer ends, or if the commissioner terminates a voluntary plan.

(2) An employee who has ceased to be covered by an approved voluntary plan is, if otherwise eligible, immediately entitled to benefits from the state program to the same extent as though there had been no exemption as provided in this chapter.

<u>NEW SECTION.</u> Sec. 24. VOLUNTARY PLAN—APPEAL. An employer mayappeal any adverse decision by the department regarding the voluntary plan and an employee may appeal an employer's denial of liability upon the claim of an employee for family or medical leave benefits under an approved plan, in the manner specified under section 34 of this act.

<u>NEW SECTION.</u> Sec. 25. VOLUNTARY PLAN—INFORMATION. An employer with a voluntary plan must provide a notice prepared by or approved by the commissioner regarding the voluntary plan consistent with the provisions of section 75 of this act.

<u>NEW SECTION.</u> Sec. 26. VOLUNTARY PLAN—REPORTS AND RECORDS. Employers whose employees are participating in an approved voluntary plan must maintain all reports, information, and records as relating to the voluntary plan and claims for six years and furnish for the commissioner upon request.

<u>NEW SECTION.</u> Sec. 27. VOLUNTARY PLAN—AMENDMENTS. (1) The commissioner must approve any amendment to a voluntary plan adjusting the provisions thereof, as to periods after the effective date of the amendment,

when the commissioner finds: (a) That the plan, as amended, will conform to the standards set forth in this chapter; and (b) that notice of the amendment has been delivered to the employees at least ten days prior to the approval.

(2) Nothing contained in this section is intended to deny or limit the right of the commissioner to adopt supplementary rules regarding voluntary plans.

<u>NEW SECTION.</u> Sec. 28. ADVISORY COMMITTEE. (1) The commissioner shall appoint an advisory committee to review issues and topics of interest related to this chapter.

(2) The committee is composed of ten members: (a) Four members representing employees' interests in paid family and medical leave, each of whom shall be appointed from a list of at least four names submitted by a recognized statewide organization of employees; (b) four members representing employers, each of whom shall be appointed from a list of at least four names submitted by a recognized statewide organization of employees; and (c) two ex officio members, without a vote, one of whom shall represent the department and the other shall be the ombuds for the family and medical leave program. The member representing the department shall be the chair.

(3) The committee shall provide comment on department rule making, policies, implementation of this chapter, utilization of benefits, and other initiatives, and study issues the committee determines to require its consideration.

(4) The members shall serve without compensation, but are entitled to reimbursement for travel expenses as provided in RCW 43.03.050 and 43.03.060. The committee may utilize such personnel and facilities of the department as it needs, without charge. All expenses of the committee must be paid by the family and medical leave insurance account.

<u>NEW SECTION.</u> Sec. 29. DEPARTMENT TO ADMINISTER— INFORMATION AND OUTREACH. (1) The department shall establish and administer the family and medical leave program and pay family and medical leave benefits as specified in this chapter. The department shall adopt government efficiencies to improve administration and reduce costs. These efficiencies shall include, to the extent feasible, combined reporting and payment, with a single return, of premiums under this chapter and contributions under chapter 50.24 RCW.

(2) The department shall establish procedures and forms for filing applications for benefits under this chapter. The department shall notify the employer within five business days of an application being filed.

(3) The department shall use information sharing and integration technology to facilitate the disclosure of relevant information or records by the department, so long as an employee consents to the disclosure as required under section 13 of this act.

(4) Information contained in the files and records pertaining to an employee under this chapter are confidential and not open to public inspection, other than to public employees in the performance of their official duties. However, the employee or an authorized representative of an employee may review the records or receive specific information from the records on the presentation of the signed authorization of the employee. An employer or the employer's duly authorized representative may review the records of an employee employed by (5) The department shall develop and implement an outreach program to ensure that employees who may be qualified to receive family and medical leave benefits under this chapter are made aware of these benefits. Outreach information shall explain, in an easy to understand format, eligibility requirements, the application process, weekly benefit amounts, maximum benefits payable, notice and certification requirements, reinstatement and nondiscrimination rights, confidentiality, voluntary plans, and the relationship between employment protection, leave from employment, and wage replacement benefits under this chapter and other laws, collective bargaining agreements, and employer policies. Outreach information shall be available in English and other primary languages as defined in RCW 74.04.025.

(6) The department is authorized to inspect and audit employer files and records relating to the family and medical leave program, including employer voluntary plans.

<u>NEW SECTION.</u> Sec. 30. CHILD SUPPORT. If an employee discloses that he or she owes child support obligations under section 13 of this act and the department determines that the employee is qualified for benefits, the department shall notify the applicable state or local child support enforcement agency and deduct and withhold an amount from benefits in a manner consistent with RCW 50.40.050. Consistent with section 13(1)(c) of this act, the department may verify delinquent child support obligations with the department of social and health services.

<u>NEW SECTION.</u> Sec. 31. EMPLOYMENT PROTECTION. (1) Except as provided in section 14(5) of this act and subsection (6) of this section, any employee who takes family or medical leave under this chapter is entitled, on return from the leave:

(a) To be restored by the employer to the position of employment held by the employee when the leave commenced; or

(b) To be restored by the employer to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) The taking of leave under this chapter may not result in the loss of any employment benefits accrued before the date on which the leave commenced.

(3) Nothing in this section shall be construed to entitle any restored employee to:

(a) The accrual of any seniority or employment benefits during any period of leave; or

(b) Any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

(4) As a condition of restoration under subsection (1) of this section for an employee who has taken medical leave, the employer may have a uniformly applied practice or policy that requires each such employee to receive certification from the employee's health care provider that the employee is able to resume work.

(5) Nothing in this section shall be construed to prohibit an employer from requiring an employee on leave to report periodically to the employer on the status and intention of the employee to return to work.

(6)(a) This section does not apply unless the employee: (i) Works for an employer with fifty or more employees; (ii) has been employed by the current employer for twelve months or more; and (iii) has worked for the current employer for at least one thousand two hundred fifty hours during the twelve months immediately preceding the date on which leave will commence. For the purposes of this subsection, an employer shall be considered to employ fifty or more employees if the employer employs fifty or more employees for each working day during each of twenty or more calendar workweeks in the current or preceding calendar year.

(b) An employer may deny restoration under this section to any salaried employee who is among the highest paid ten percent of the employees employed by the employer within seventy-five miles of the facility at which the employee is employed if:

(i) Denial is necessary to prevent substantial and grievous economic injury to the operations of the employer;

(ii) The employer notifies the employee of the intent of the employer to deny restoration on such basis at the time the employer determines that the injury would occur; and

(iii) The leave has commenced and the employee elects not to return to employment after receiving the notice.

NEW SECTION. Sec. 32. RECOVERY OF BENEFIT PAYMENTS. (1) An individual who is paid any amount as benefits under this act to which he or she is not entitled shall, unless otherwise relieved pursuant to this section, be liable for repayment of the amount overpaid. The department shall issue an overpayment assessment setting forth the reasons for and the amount of the overpayment. The amount assessed, to the extent not collected, may be deducted from any future benefits payable to the individual: PROVIDED. That in the absence of a back pay award, a settlement affecting the allowance of benefits, fraud, misrepresentation, or willful nondisclosure, every determination of liability shall be mailed or personally served not later than two years after the close of or final payment made on the individual's applicable eligibility period for which the purported overpayment was made, whichever is later, unless the merits of the claim are subjected to administrative or judicial review in which event the period for serving the determination of liability shall be extended to allow service of the determination of liability during the six-month period following the final decision affecting the claim.

(2) The commissioner may waive an overpayment if the commissioner finds that the overpayment was not the result of fraud, misrepresentation, willful nondisclosure, conditional payment, or fault attributable to the individual and that the recovery thereof would be against equity and good conscience. An overpayment waived under this subsection shall be charged against the individual's applicable entitlement for the eligibility period containing the weeks to which the overpayment was attributed as though such benefits had been properly paid.

(3) Any assessment herein provided shall constitute a determination of liability from which an appeal may be had in the same manner and to the same

extent as provided for appeals relating to determinations in respect to claims for benefits: PROVIDED, That an appeal from any determination covering overpayment only shall be deemed to be an appeal from the determination which was the basis for establishing the overpayment unless the merits involved in the issue set forth in such determination have already been heard and passed upon by the appeal tribunal. If no such appeal is taken to the appeal tribunal by the individual within thirty days of the delivery of the notice of determination of liability, or within thirty days of the mailing of the notice of determination, whichever is the earlier, the determination of liability shall be deemed conclusive and final. Whenever any such notice of determination of liability becomes conclusive and final, the commissioner, upon giving at least twenty days' notice, using a method by which the mailing can be tracked or the delivery can be confirmed, may file with the superior court clerk of any county within the state a warrant in the amount of the notice of determination of liability plus a filing fee under RCW 36.18.012(10). The clerk of the county where the warrant is filed shall immediately designate a superior court cause number for the warrant, and the clerk shall cause to be entered in the judgment docket under the superior court cause number assigned to the warrant, the name of the person(s) mentioned in the warrant, the amount of the notice of determination of liability, and the date when the warrant was filed. The amount of the warrant as docketed shall become a lien upon the title to, and any interest in, all real and personal property of the person(s) against whom the warrant is issued, the same as a judgment in a civil case duly docketed in the office of such clerk. A warrant so docketed shall be sufficient to support the issuance of writs of execution and writs of garnishment in favor of the state in the manner provided by law for a civil judgment. A copy of the warrant shall be mailed within five days of its filing with the clerk to the person(s) mentioned in the warrant using a method by which the mailing can be tracked or the delivery can be confirmed.

(4) Any employer who is a party to a back pay award or settlement due to loss of wages shall, within thirty days of the award or settlement, report to the department the amount of the award or settlement, the name and social security number of the recipient of the award or settlement, and the period for which it is awarded. When an individual has been awarded or receives back pay, for benefit purposes the amount of the back pay shall constitute wages paid in the period for which it was awarded. For premium purposes, the back pay award or settlement shall constitute wages paid in the period in which it was actually paid. The following requirements shall also apply:

(a) The employer shall reduce the amount of the back pay award or settlement by an amount determined by the department based upon the amount of paid family or medical leave benefits received by the recipient of the award or settlement during the period for which the back pay award or settlement was awarded;

(b) The employer shall pay to the paid family and medical leave fund, in a manner specified by the commissioner, an amount equal to the amount of such reduction;

(c) The employer shall also pay to the department any premiums due for paid family and medical leave insurance purposes on the entire amount of the back pay award or settlement notwithstanding any reduction made pursuant to (a) of this subsection; (d) If the employer fails to reduce the amount of the back pay award or settlement as required in (a) of this subsection, the department shall issue an overpayment assessment against the recipient of the award or settlement in the amount that the back pay award or settlement should have been reduced; and

(e) If the employer fails to pay to the department an amount equal to the reduction as required in (b) of this subsection, the department shall issue an assessment of liability against the employer that shall be collected pursuant to the procedures for collection of assessments provided herein and in section 62 of this act.

(5) When an individual fails to repay an overpayment assessment that is due and fails to arrange for satisfactory repayment terms, the commissioner shall impose an interest penalty of one percent per month of the outstanding balance. Interest shall accrue immediately on overpayments assessed pursuant to section 5 of this act and shall be imposed when the assessment becomes final. For any other overpayment, interest shall accrue when the individual has missed two or more of the individual's monthly payments either partially or in full.

(6) Any penalties and interest collected pursuant to this section must be deposited into the family and medical leave enforcement account.

(7) The department shall: (a) Conduct social security number cross-match audits or engage in other more effective activities that ensure that individuals are entitled to all amounts of benefits that they are paid; and (b) engage in other detection and recovery of overpayment and collection activities.

<u>NEW SECTION.</u> Sec. 33. EMPLOYER REQUIREMENTS— COMPANIES. (1) In the form and at the times specified in this chapter and by the commissioner, an employer shall make reports, furnish information, and collect and remit premiums as required by this chapter to the department. If the employer is a temporary help company that provides employees on a temporary basis to its customers, the temporary help company is considered the employer for purposes of this section.

(2)(a) An employer must keep at the employer's place of business a record of employment, for a period of six years, from which the information needed by the department for purposes of this chapter may be obtained. This record shall at all times be open to the inspection of the commissioner.

(b) Information obtained under this chapter from employer records is confidential and not open to public inspection, other than to public employees in the performance of their official duties. However, an interested party shall be supplied with information from employer records to the extent necessary for the proper presentation of the case in question. An employer may authorize inspection of the employer's records by written consent.

(3) The requirements relating to the collection of family and medical leave premiums are as provided in this chapter. Before issuing a warning letter, the department shall enforce the collection of premiums through conference and conciliation. These requirements apply to:

(a) An employer that fails under this chapter to make the required reports, or fails to remit the full amount of the premiums when due;

(b) An employer that willfully makes a false statement or misrepresentation regarding a material fact, or willfully fails to report a material fact, to avoid making the required reports or remitting the full amount of the premiums when due under this chapter; (c) A successor in the manner specified in section 67 of this act; and

(d) An officer, member, or owner having control or supervision of payment and/or reporting of family and medical leave premiums, or who is charged with the responsibility for the filing of returns, in the manner specified in section 68 of this act.

(4) Notwithstanding subsection (3) of this section, appeals are governed by section 34 of this act.

<u>NEW SECTION.</u> Sec. 34. APPEALS—GENERAL. (1) Any aggrieved person may file an appeal from any determination or redetermination with the commissioner within thirty days after the date of notification or mailing, whichever is earlier, of such determination or redetermination to the person's last known address. If an appeal with respect to any determination is pending as of the date when a redetermination is issued, such appeal, unless withdrawn, shall be treated as an appeal from such redetermination.

(2) Any appeal from a determination of denial of benefits shall be deemed to be an appeal as to all weeks subsequent to the effective date of the denial for which benefits have already been denied. If no appeal is taken from any determination, or redetermination, within the time allowed by the provisions of this section for appeal, the determination or redetermination, as the case may be, shall be conclusively deemed to be correct except as provided in respect to reconsideration by the commissioner of any determination.

(3) Upon receipt of a notice of appeal, the commissioner shall request the assignment of an administrative law judge in accordance with chapter 34.12 RCW to conduct a hearing and issue a proposed order.

<u>NEW SECTION.</u> Sec. 35. APPEALS—FILING PROCESS. The appeal or petition from a determination, redetermination, order and notice of assessment, appeals decision, or commissioner's decision is deemed filed and received if properly addressed and with sufficient postage:

(1) If transmitted through the United States mail, on the date shown by the United States postal service cancellation mark;

(2) If mailed but not received by the addressee, or where received and the United States postal service cancellation mark is illegible, erroneous, or omitted, on the date it was mailed, if the sender establishes by competent evidence that the appeal or petition was deposited in the United States mail on or before the date due for filing; or

(3) In the case of a metered cancellation mark by the sender and a United States postal service cancellation mark on the same envelope or other wrapper, the latter shall control.

<u>NEW SECTION.</u> Sec. 36. APPEALS—ASSESSMENT. (1) When an order and notice of assessment has been served upon or mailed to a delinquent employer, the employer may within thirty days file an appeal with the department, stating that the assessment is unjust or incorrect and requesting a hearing. The appeal must set forth the reasons why the assessment is objected to and the amount of premiums, if any, which the employer admits to be due. If no appeal is filed, the assessment shall be conclusively deemed to be just and correct except that in such case, and in cases where payment of premiums, interest, or penalties has been made pursuant to a jeopardy assessment, the commissioner may properly entertain a subsequent application for refund. The

filing of an appeal on a disputed assessment with the administrative law judge stays the distraint and sale proceeding provided for in this chapter until a final decision has been made, but the filing of an appeal shall not affect the right of the commissioner to perfect a lien, as provided by this chapter, upon the property of the employer. The filing of a petition on a disputed assessment stays the accrual of interest and penalties on the disputed premiums until a final decision is made.

(2) Within thirty days after notice of denial of refund or adjustment has been mailed or delivered, whichever is the earlier, to an employer, the employer may file an appeal with the department for a hearing unless assessments have been appealed from and have become final. The employer shall set forth the reasons why such hearing should be granted and the amount which the employer believes should be adjusted or refunded. If no appeal is filed within said thirty days, the determination of the commissioner as stated in the notice shall be final.

<u>NEW SECTION.</u> Sec. 37. APPEALS—BENEFIT APPEAL PROCEDURE. (1) In any proceeding before an administrative law judge involving a dispute of an employee's initial determination, claim for waiting period credit or claim for benefits, all matters and provisions of this chapter relating to the employee's initial determination, or right to receive such credit or benefits for the period in question, shall be deemed to be in issue irrespective of the particular ground or grounds set forth in the notice of appeal in single employee cases.

(2) In any proceeding before an administrative law judge involving an employee's right to benefits, all parties shall be afforded an opportunity for hearing after not less than seven days' notice in accordance with RCW 34.05.434.

(3) In any proceeding involving an appeal relating to benefit determinations or benefit claims, the administrative law judge, after affording the parties reasonable opportunity for fair hearing, shall render its decision affirming, modifying, or setting aside the determination or decisions of the department. The parties shall be duly notified of such decision together with the reasons, which shall be deemed to be the final decision unless, within thirty days after the date of notification or mailing, whichever is the earlier, of such decision, further appeal is perfected pursuant to section 39 of this act.

<u>NEW SECTION.</u> Sec. 38. APPEALS—ASSESSMENT APPEAL PROCEDURE. In any proceeding before an administrative law judge involving an appeal from a disputed order and notice of assessment or a disputed denial of refund or adjustment, the administrative law judge, after affording the parties a reasonable opportunity for hearing, shall affirm, modify, or set aside the notice of assessment or denial of refund. The parties shall be duly notified of such decision together with the reasons, which shall be deemed to be the final decision unless within thirty days after the date of notification or mailing, whichever is the earlier, of such decision, further appeal is perfected pursuant to the provisions of this chapter relating to review by the commissioner.

<u>NEW SECTION.</u> Sec. 39. APPEALS—HEARINGS. The manner in which any dispute is presented to the administrative law judge, and the conduct of hearings and appeals, shall be in accordance with rules adopted by the commissioner. A full and complete record shall be kept of all administrative law judge proceedings. All testimony at any appeal hearing shall be recorded, but need not be transcribed unless further appeal is taken.

NEW SECTION. Sec. 40. APPEALS—PETITION FOR REVIEW BY COMMISSIONER. Within thirty days from the date of notification or mailing, whichever is the earlier, of any decision of an administrative law judge, the commissioner on the commissioner's own order may, or upon petition of any interested party shall, take jurisdiction of the proceedings for the purpose of review. Appeal from any decision of an administrative law judge may be perfected so as to prevent finality of such decision if, within thirty days from the date of notification or mailing of the decision, whichever is the earlier, a petition in writing for review by the commissioner is received by the commissioner or by such representative of the commissioner as the commissioner by rule shall prescribe. The commissioner may also prevent finality of any decision of an administrative law judge and take jurisdiction of the proceedings for his or her review by entering an order so providing on his or her own motion and mailing a copy thereof to the interested parties within the same period allowed for receipt of a petition for review. The time limit provided for the commissioner's assumption of jurisdiction on his or her own motion for review shall be deemed to be jurisdictional.

<u>NEW SECTION.</u> Sec. 41. APPEALS—WAIVER OF TIME. For good cause shown the administrative law judge or the commissioner may waive the time limitations for administrative appeals or petitions set forth in this chapter.

<u>NEW SECTION.</u> Sec. 42. APPEALS—COMMISSIONER REVIEW PROCEDURE. After having acquired jurisdiction for review, the commissioner shall review the proceedings in question. Prior to rendering a decision, the commissioner may order the taking of additional evidence by an administrative law judge to be made a part of the record in the case. Upon the basis of evidence submitted to the administrative law judge and such additional evidence as the commissioner may order to be taken, the commissioner shall render a decision in writing affirming, modifying, or setting aside the decision of the administrative law judge. Alternatively, the commissioner may order further proceedings to be held before the administrative law judge, upon completion of which the administrative law judge shall issue a decision in writing affirming, modifying, or setting aside its previous decision. The new decision may be appealed as provided under section 39 of this act. The commissioner shall mail the decision to the interested parties at their last known addresses.

<u>NEW SECTION.</u> Sec. 43. APPEALS—COMMISSIONER DECISIONS. Any decision of the commissioner involving a review of an administrative law judge decision, in the absence of a petition as provided in chapter 34.05 RCW, becomes final thirty days after notification or mailing, whichever is earlier. The commissioner shall be deemed to be a party to any judicial action involving any such decision and shall be represented in any such judicial action by the attorney general.

<u>NEW SECTION.</u> Sec. 44. APPEALS—JUDICIAL REVIEW PROCEDURE. Judicial review of a decision of the commissioner involving the review of a decision of an administrative law judge under this chapter may be had only in accordance with the procedural requirements of RCW 34.05.570.

<u>NEW SECTION.</u> Sec. 45. APPEALS—SEEKING JUDICIAL REVIEW. (1) A bond of any kind shall not be required of any employee seeking judicial review from a commissioner's decision affecting such employee's application for initial determination or claim for waiting period credit or for benefits.

(2) A commissioner's decision shall not be stayed by a petition for judicial review unless the petitioning employer shall first deposit an undertaking in an amount deemed by the commissioner to be due, if any, from the petitioning employer, together with interest thereon, if any, with the commissioner or in the registry of the court.

(3) This section does not authorize a stay in the payment of benefits to an employee when such employee has been held entitled thereto by a decision of the commissioner which decision either affirms, reverses, or modifies a decision of an appeals tribunal.

<u>NEW SECTION.</u> Sec. 46. APPEALS—INTERSTATE PETITIONS TO THURSTON COUNTY. RCW 34.05.514 to the contrary notwithstanding, petitions to the superior court from decisions of the commissioner dealing with the applications or claims relating to benefit payments that were filed outside of this state with an authorized representative of the commissioner shall be filed with the superior court of Thurston county that shall have the original venue of such appeals.

<u>NEW SECTION.</u> Sec. 47. APPEALS—JUDICIAL REVIEW. (1) In all court proceedings under or pursuant to this chapter the decision of the commissioner shall be prima facie correct, and the burden of proof shall be upon the party attacking the decision.

(2) If the court determines that the commissioner has acted within the commissioner's power and has correctly construed the law, the decision of the commissioner shall be confirmed; otherwise, the decision shall be reversed or modified. In case of a modification or reversal the superior court shall refer the decision to the commissioner with an order directing the commissioner to proceed in accordance with the findings of the court.

(3) Whenever any order and notice of assessment shall have become final in accordance with the provisions of this chapter, the court shall upon application of the commissioner enter a judgment in the amount provided for in the order and notice of assessment, and the judgment shall have and be given the same effect as if entered pursuant to a civil action instituted in the court.

<u>NEW SECTION.</u> Sec. 48. APPEALS—APPLICABILITY OF FINDING, DETERMINATION, ETC., TO OTHER ACTION. Any finding, determination, conclusion, declaration, or final order made by the commissioner, or his or her representative or delegate, or by an appeal tribunal, administrative law judge, reviewing officer, or other agent of the department for the purposes of this chapter, shall not be conclusive, nor binding, nor admissible as evidence in any separate action outside the scope of this chapter between an employee and the employee's present or prior employer before an arbitrator, court, or judge of this state or the United States, regardless of whether the prior action was between the same or related parties or involved the same facts or was reviewed pursuant to section 44 of this act.

<u>NEW SECTION.</u> Sec. 49. APPEALS—FEES FOR ADMINISTRATIVE HEARINGS. An individual shall not be charged fees of any kind in any

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proceeding involving the employee's application for initial determination, or claim for waiting period credit, or claim for benefits, under this chapter by the commissioner or his or her representatives, or by an appeal tribunal, or any court, or any officer thereof. Any employee in any such proceeding before the commissioner or any appeal tribunal may be represented by counsel or other duly authorized agent who shall neither charge nor receive a fee for such services in excess of an amount found reasonable by the officer conducting such proceeding.

<u>NEW SECTION.</u> Sec. 50. APPEALS—ATTORNEYS' FEES. It shall be unlawful for any attorney engaged in any appeal to the courts on behalf of an employee involving the employee's application for initial determination or claim for benefits to charge or receive any fee in excess of a reasonable fee to be fixed by the superior court in respect to the services performed in connection with the appeal taken and to be fixed by the supreme court or the court of appeals in the event of appellate review, and if the decision of the commissioner shall be reversed or modified, such fee and the costs shall be payable out of the family and medical leave enforcement account.

<u>NEW SECTION.</u> Sec. 51. APPEALS—REMEDIES EXCLUSIVE. The remedies provided in this chapter for determining the justness or correctness of assessments, refunds, adjustments, or claims shall be exclusive and no court shall entertain any action to enjoin an assessment or require a refund or adjustment except in accordance with the provisions of this chapter. Matters which may be determined by the procedures set out in this chapter shall not be the subject of any declaratory judgment.

<u>NEW SECTION.</u> Sec. 52. APPEALS—EXPENSES. (1) Whenever any appeal is taken from any decision of the commissioner to any court, all expenses and costs incurred by the commissioner, including court reporter costs and attorneys' fees and all costs taxed against such commissioner, shall be paid out of the family and medical leave enforcement account.

(2) Neither the commissioner nor the state shall be charged any fee for any service rendered in connection with litigation under this chapter by the clerk of any court.

<u>NEW SECTION.</u> Sec. 53. APPEALS—REDETERMINATIONS. (1) A determination of amount of benefits potentially payable under this chapter is not a basis for appeal. However, the determination is subject to request by the employee on family and medical leave for redetermination by the commissioner at any time within one year from the date of delivery or mailing of such determination, or any redetermination thereof. A redetermination shall be furnished to the employee in writing and provide the basis for appeal.

(2) A determination of denial of benefits becomes final, in the absence of timely appeal therefrom. The commissioner may redetermine such determinations at any time within one year from delivery or mailing to correct an error in identity, omission of fact, or misapplication of law with respect to the facts.

(3) A determination of allowance of benefits becomes final, in the absence of a timely appeal therefrom. The commissioner may redetermine such allowance at any time within two years following the eligibility period in which such allowance was made in order to recover any benefits for which recovery is provided under this chapter.

(4) A redetermination may be made at any time: (a) To conform to a final court decision applicable to either an initial determination or a determination of denial or allowance of benefits; (b) in the event of a back pay award or settlement affecting the allowance of benefits; or (c) in the case of misrepresentation or willful failure to report a material fact. Written notice of any such redetermination shall be promptly given by mail or delivered to such interested parties as were notified of the initial determination or determination of denial or allowance of benefits and any new interested party or parties who, pursuant to such rule as the commissioner may adopt, would be an interested party.

NEW SECTION. Sec. 54. AUTHORITY TO COMPROMISE. The commissioner may compromise any claim for premiums, interest, or penalties due and owing from an employer, and any amount owed by an individual because of benefit overpayments existing or arising under this chapter in any case where collection of the full amount due and owing, whether reduced to judgment or otherwise, would be against equity and good conscience. Whenever a compromise is made by the commissioner in the case of a claim for premiums, interest, or penalties, whether reduced to judgment or otherwise, there shall be placed on file in the department a statement of the amount of premiums, interest, and penalties imposed by law and claimed due, attorneys' fees and costs, if any, a complete record of the compromise agreement, and the amount actually paid in accordance with the terms of the compromise agreement. Whenever a compromise is made by the commissioner in the case of a claim of a benefit overpayment, whether reduced to judgment or otherwise, there shall be placed on file in the department a statement of the amount of the benefit overpayment, attorneys' fees and costs, if any, a complete record of the compromise agreement. and the amount actually paid in accordance with the terms of the compromise agreement. If any such compromise is accepted by the commissioner, within such time as may be stated in the compromise or agreed to, such compromise shall be final and conclusive and except upon showing of fraud or malfeasance or misrepresentation of a material fact the case shall not be reopened as to the matters agreed upon. In any suit, action, or proceeding, such agreement or any determination, collection, payment, adjustment, refund, or credit made in accordance therewith shall not be annulled, modified, set aside, or disregarded.

<u>NEW SECTION.</u> Sec. 55. INTEREST ON DELINQUENT PREMIUMS. If premiums are not paid on the date on which they are due and payable as prescribed by the commissioner, the whole or part thereof remaining unpaid shall bear interest at the rate of one percent per month or fraction thereof from and after such date until payment plus accrued interest is received by him or her. The date as of which payment of premiums, if mailed, is deemed to have been received may be determined by such regulations as the commissioner may prescribe. Interest collected pursuant to this section shall be paid into the family and medical leave enforcement account. Interest shall not accrue on premiums from any estate in the hands of a receiver, executor, administrator, trustee in bankruptcy, common law assignee, or other liquidating officer subsequent to the date when such receiver, executor, administrator, trustee in bankruptcy, common

law assignee, or other liquidating officer qualifies as such, but premiums accruing with respect to employment of persons by any receiver, executor, administrator, trustee in bankruptcy, common law assignee, or other liquidating officer shall become due and shall draw interest in the same manner as premiums due from other employers. Where adequate information has been furnished to the department and the department has failed to act or has advised the employer of no liability or inability to decide the issue, interest may be waived.

NEW SECTION. Sec. 56. LIEN FOR PREMIUMS GENERALLY. The claim of the employment security department for any premiums, interest, or penalties not paid when due, shall be a lien prior to all other liens or claims and on a parity with prior tax liens against all property and rights to property, whether real or personal, belonging to the employer. In order to avail itself of the lien hereby created, the department shall file with any county auditor where property of the employer is located a statement and claim of lien specifying the amount of delinquent premiums, interest, and penalties claimed by the department. From the time of filing for record, the amount required to be paid shall constitute a lien upon all property and rights to property, whether real or personal, in the county, owned by the employer or acquired by him or her. The lien shall not be valid against any purchaser, holder of a security interest, mechanic's lien, or judgment lien creditor until notice thereof has been filed with the county auditor. This lien shall be separate and apart from, and in addition to, any other lien or claim created by, or provided for in, this chapter. When any such notice of lien has been so filed, the commissioner may release the same by filing a certificate of release when it shall appear that the amount of delinquent premiums, interest, and penalties have been paid, or when such assurance of payment shall be made as the commissioner may deem to be adequate. Fees for filing and releasing the lien provided herein may be charged to the employer and may be collected from the employer utilizing the remedies provided in this chapter for the collection of premiums.

NEW SECTION. Sec. 57. LIEN IN EVENT OF INSOLVENCY OR DISSOLUTION. In the event of any distribution of an employer's assets pursuant to an order of any court, including any receivership, probate, legal dissolution, or similar proceeding, or in case of any assignment for the benefit of creditors, composition, or similar proceeding, premiums, interest, or penalties then or thereafter due shall be a lien upon all the assets of such employer. Said lien is prior to all other liens or claims except prior tax liens, other liens provided by this chapter, and claims for remuneration for services of not more than two hundred fifty dollars to each claimant earned within six months of the commencement of the proceeding. The mere existence of a condition of insolvency or the institution of any judicial proceeding for legal dissolution or of any proceeding for distribution of assets shall cause such a lien to attach without action on behalf of the commissioner or the state. In the event of an employer's adjudication in bankruptcy, judicially confirmed extension proposal, or composition, under the federal bankruptcy act of 1898, as amended, premiums, interest, or penalties then or thereafter due shall be entitled to such priority as provided in that act, as amended.

<u>NEW SECTION.</u> Sec. 58. ORDER AND NOTICE OF ASSESSMENT. At any time after the commissioner shall find that any premiums, interest, or

penalties have become delinquent, the commissioner may issue an order and notice of assessment specifying the amount due, which order and notice of assessment shall be served upon the delinquent employer in the manner prescribed for the service of a summons in a civil action, or using a method by which the mailing can be tracked or the delivery can be confirmed. Failure of the employer to receive such notice or order whether served or mailed shall not release the employer from any tax, or any interest or penalties thereon.

<u>NEW SECTION.</u> Sec. 59. JEOPARDY ASSESSMENT. If the commissioner has reason to believe that an employer is insolvent or if any reason exists why the collection of any premiums accrued will be jeopardized by delaying collection, he or she may make an immediate assessment thereof and may proceed to enforce collection immediately, but interest and penalties shall not begin to accrue upon any premiums until the date when such premiums would normally have become delinquent.

<u>NEW SECTION.</u> Sec. 60. DISTRAINT, SEIZURE, AND SALE. If the amount of premiums, interest, or penalties assessed by the commissioner by order and notice of assessment provided in this chapter is not paid within ten days after the service or mailing of the order and notice of assessment, the commissioner or his or her duly authorized representative may collect the amount stated in said assessment by the distraint, seizure, and sale of the property, goods, chattels, and effects of said delinquent employer. There shall be exempt from distraint and sale under this section such goods and property as are exempt from execution under the laws of this state.

NEW SECTION. Sec. 61. DISTRAINT The PROCEDURE. commissioner, upon making a distraint, shall seize the property and shall make an inventory of the property distrained, a copy of which shall be mailed to the owner of such property or personally delivered to him or her, and shall specify the time and place when said property shall be sold. A notice specifying the property to be sold and the time and place of sale shall be posted in at least two public places in the county wherein the seizure has been made. The time of sale shall be not less than ten nor more than twenty days from the date of posting of such notices. Said sale may be adjourned from time to time at the discretion of the commissioner, but not for a time to exceed in all sixty days. Said sale shall be conducted by the commissioner or his or her authorized representative who shall proceed to sell such property by parcel or by lot at a public auction, and who may set a minimum price to include the expenses of making a levy and of advertising the sale, and if the amount bid for such property at the sale is not equal to the minimum price so fixed, the commissioner or his or her representative may declare such property to be purchased by the employment security department for such minimum price. In such event the delinquent account shall be credited with the amount for which the property has been sold. Property acquired by the employment security department as herein prescribed may be sold by the commissioner or his or her representative at public or private sale, and the amount realized shall be placed in the family and medical leave account. In all cases of sale, as aforesaid, the commissioner shall issue a bill of sale or a deed to the purchaser and said bill of sale or deed shall be prima facie evidence of the right of the commissioner to make such sale and conclusive evidence of the regularity of his or her proceeding in making the sale, and shall

transfer to the purchaser all right, title, and interest of the delinquent employer in said property. The proceeds of any such sale, except in those cases wherein the property has been acquired by the employment security department, shall be first applied by the commissioner in satisfaction of the delinquent account, and out of any sum received in excess of the amount of delinquent premiums, interest, and penalties the administration fund shall be reimbursed for the costs of distraint and sale. Any excess which shall thereafter remain in the hands of the commissioner shall be refunded to the delinquent employer. Sums so refundable to a delinquent employer may be subject to seizure or distraint in the hands of the commissioner by any other taxing authority of the state or its political subdivisions.

NEW SECTION. Sec. 62. NOTICE AND ORDER TO WITHHOLD AND DELIVER. The commissioner is hereby authorized to issue to any person, firm, corporation, political subdivision, or department of the state, a notice and order to withhold and deliver property of any kind whatsoever when the commissioner has reason to believe that there is in the possession of such person, firm, corporation, political subdivision, or department, property which is due, owing, or belonging to any person, firm, or corporation upon whom the department has served a benefit overpayment assessment or a notice and order of assessment for premiums, interest, or penalties. The effect of a notice to withhold and deliver shall be continuous from the date such notice and order to withhold and deliver is first made until the liability is satisfied or becomes unenforceable because of a lapse of time. The notice and order to withhold and deliver shall be served by the sheriff or the sheriff's deputy of the county wherein the service is made, using a method by which the mailing can be tracked or the delivery can be confirmed, or by any duly authorized representative of the commissioner. Any person, firm, corporation, political subdivision, or department upon whom service has been made is hereby required to answer the notice within twenty days exclusive of the day of service, under oath and in writing, and shall make true answers to the matters inquired of in the notice. In the event there is in the possession of any such person, firm, corporation, political subdivision, or department, any property which may be subject to the claim of the employment security department of the state, such property shall be delivered forthwith to the commissioner or the commissioner's duly authorized representative upon demand to be held in trust by the commissioner for application on the indebtedness involved or for return, without interest, in accordance with final determination of liability or nonliability, or in the alternative, there shall be furnished a good and sufficient bond satisfactory to the commissioner conditioned upon final determination of liability. Should any person, firm, or corporation fail to make answer to an order to withhold and deliver within the time prescribed herein, it shall be lawful for the court, after the time to answer such order has expired, to render judgment by default against such person, firm, or corporation for the full amount claimed by the commissioner in the notice to withhold and deliver, together with costs.

<u>NEW SECTION.</u> Sec. 63. WARRANT—AUTHORIZED—FILING— LIEN—ENFORCEMENT. Whenever any order and notice of assessment or jeopardy assessment has become final in accordance with the provisions of this chapter the commissioner may file with the clerk of any county within the state a warrant in the amount of the notice of assessment plus interest, penalties, and a filing fee under RCW 36.18.012(10). The clerk of the county wherein the warrant is filed shall immediately designate a superior court cause number for such warrant, and the clerk shall cause to be entered in the judgment docket under the superior court cause number assigned to the warrant, the name of the employer mentioned in the warrant, the amount of the tax, interest, penalties, and filing fee and the date when such warrant was filed. The aggregate amount of such warrant as docketed shall become a lien upon the title to, and interest in all real and personal property of the employer against whom the warrant is issued, the same as a judgment in a civil case duly docketed in the office of such clerk. Such warrant so docketed shall be sufficient to support the issuance of writs of execution and writs of garnishment in favor of the state in the manner provided by law in the case of civil judgment, wholly or partially unsatisfied. The clerk of the court shall be entitled to a filing fee under RCW 36.18.012(10), which shall be added to the amount of the warrant, and charged by the commissioner to the employer or employing unit. A copy of the warrant shall be mailed to the employer or employing unit using a method by which the mailing can be tracked or the delivery can be confirmed within five days of filing with the clerk.

<u>NEW SECTION.</u> Sec. 64. COLLECTION BY CIVIL ACTION. (1) If after due notice, any employer defaults in any payment of premiums, interest, or penalties, the amount due may be collected by civil action in the name of the state, and the employer adjudged in default shall pay the cost of such action. Any lien created by this chapter may be foreclosed by decree of the court in any such action. Civil actions brought under this chapter to collect premiums, interest, or penalties from an employer shall be heard by the court at the earliest possible date and shall be entitled to preference upon the calendar of the court over all other civil actions except petitions for judicial review under this chapter, cases arising under the unemployment compensation laws of this state, and cases arising under the industrial insurance laws of this state.

(2) Any employing unit that is not a resident of this state and that exercises the privilege of having one or more individuals perform service for it within this state, and any resident employing unit that exercises that privilege and thereafter removes from this state, shall be deemed thereby to appoint the secretary of state as its agent and attorney for the acceptance of process in any action under this chapter. In instituting such an action against any such employing unit the commissioner shall cause such process or notice to be filed with the secretary of state and such service shall be sufficient service upon such employing unit, and shall be of the same force and validity as if served upon it personally within this state: PROVIDED, That the commissioner shall forthwith send notice of the service of such process or notice, together with a copy thereof, by registered mail, return receipt requested, to such employing unit at its last known address and such return receipt, the commissioner's affidavit of compliance with the provisions of this section, and a copy of the notice of service shall be appended to the original of the process filed in the court in which such action is pending.

<u>NEW SECTION.</u> Sec. 65. INJUNCTION PROCEEDINGS. Any employer who is delinquent in the payment of premiums, interest, or penalties may be enjoined upon the suit of the state of Washington from continuing in business in this state or employing persons herein until the delinquent premiums, interest,

and penalties have been paid, or until the employer has furnished a good and sufficient bond in a sum equal to double the amount of premiums, interest, and penalties already delinquent, plus such further sum as the court deems adequate to protect the department in the collection of premiums, interest, and penalties which will become due from such employer during the next ensuing calendar year, said bond to be conditioned upon payment of all premiums, interest, and penalties due and owing within thirty days after the expiration of the next ensuing calendar year or at such earlier date as the court may fix. Action under this section may be instituted in the superior court of any county of the state wherein the employer resides, has its principal place of business, or where it has anyone performing services for it, whether or not such services constitute employment.

<u>NEW SECTION.</u> Sec. 66. CHARGEOFF OF UNCOLLECTIBLE ACCOUNTS. The commissioner may charge off as uncollectible and no longer an asset of the family and medical leave account, any delinquent premiums, interest, penalties, credits, or benefit overpayments if the commissioner is satisfied that there are no cost-effective means of collecting the premiums, interest, penalties, credits, or benefit overpayments.

NEW SECTION. Sec. 67. PREMIUMS DUE AND PAYABLE UPON TERMINATION OR DISPOSAL OF BUSINESS-SUCCESSOR LIABILITY. Whenever any employer quits business, or sells out, exchanges, or otherwise disposes of the employer's business or stock of goods, any premiums payable under this chapter shall become immediately due and payable, and the employer shall, within ten days, make a return and pay the premiums due; and any person who becomes a successor to such business shall become liable for the full amount of the premiums and withhold from the purchase price a sum sufficient to pay any premiums due from the employer until such time as the employer produces a receipt from the employment security department showing payment in full of any premiums due or a certificate that no premium is due and, if such premium is not paid by the employer within ten days from the date of such sale, exchange, or disposal, the successor shall become liable for the payment of the full amount of premiums, and the payment thereof by such successor shall, to the extent thereof, be deemed a payment upon the purchase price, and if such payment is greater in amount than the purchase price the amount of the difference shall become a debt due such successor from the employer. A successor may not be liable for any premiums due from the person from whom that person has acquired a business or stock of goods if that person gives written notice to the employment security department of such acquisition and no assessment is issued by the department within one hundred eighty days of receipt of such notice against the former operator of the business and a copy thereof mailed to such successor.

<u>NEW SECTION.</u> Sec. 68. EMPLOYER PENALTIES. (1) An employer who willfully fails to make the required reports is subject to penalties as follows: (a) For the second occurrence, the penalty is seventy-five dollars; (b) for the third occurrence, the penalty is one hundred fifty dollars; and (c) for the fourth occurrence and for each occurrence thereafter, the penalty is two hundred fifty dollars.

(2) An employer who willfully fails to remit the full amount of the premiums when due is liable, in addition to the full amount of premiums due and amounts assessed as interest under section 55 of this act, to a penalty equal to the premiums and interest.

(3) Any penalties under this section shall be deposited into the family and medical leave enforcement account.

(4) For the purposes of this section, "willful" means a knowing and intentional action that is neither accidental nor the result of a bona fide dispute.

(5) The department shall enforce the collection of penalties through conference and conciliation.

(6) These penalties may be appealed as provided in sections 34 through 53 of this act.

<u>NEW SECTION.</u> Sec. 69. OTHER BENEFITS. (1) Leave from employment under this chapter is in addition to leave from employment during which benefits are paid or are payable under Title 51 RCW or other applicable federal or state industrial insurance laws.

(2) In any week in which an employee is eligible to receive benefits under Title 50 or 51 RCW, or other applicable federal or state unemployment compensation, industrial insurance, or disability insurance laws, the employee is disqualified from receiving family or medical leave benefits under this chapter.

<u>NEW SECTION.</u> Sec. 70. HEALTH BENEFITS. If required by the federal family and medical leave act, as it existed on the effective date of this section during any period of family or medical leave taken under this chapter, the employer shall maintain any existing health benefits of the employee in force for the duration of such leave as if the employee had continued to work from the date the employee commenced family or medical leave until the date the employee returns to employment. If the employer and employee share the cost of the existing health benefits, the employee remains responsible for the employee's share of the cost. This section does not apply to an employee who is not in employment for an employer at the time of filing an application for benefits.

<u>NEW SECTION</u>. Sec. 71. EMPLOYEE NOTICE OF RIGHTS. Whenever an employee of an employer who is qualified for benefits under this chapter is absent from work to provide family leave, or take medical leave for more than seven consecutive days, the employer shall provide the employee with a written statement of the employee's rights under this chapter in a form prescribed by the commissioner. The statement must be provided to the employee within five business days after the employee's seventh consecutive day of absence due to family or medical leave, or within five business days after the employer has received notice that the employee's absence is due to family or medical leave, whichever is later.

<u>NEW SECTION.</u> Sec. 72. EMPLOYER PROHIBITIONS. (1) It is unlawful for any employer to:

(a) Interfere with, restrain, or deny the exercise of, or the attempt to exercise, any valid right provided under this chapter; or

(b) Discharge or in any other manner discriminate against any employee for opposing any practice made unlawful by this chapter.

(2) It is unlawful for any person to discharge or in any other manner discriminate against any employee because the employee has:

(a) Filed any complaint, or has instituted or caused to be instituted any proceeding, under or related to this chapter;

(b) Given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this chapter; or

(c) Testified, or is about to testify, in any inquiry or proceeding relating to any right provided under this chapter.

<u>NEW SECTION.</u> Sec. 73. INVESTIGATIONS AND APPEALS. Upon complaint by an employee, the commissioner shall investigate to determine if there has been compliance with this chapter and the rules adopted under this chapter. If the investigation indicates that a violation may have occurred, a hearing must be held in accordance with chapter 34.05 RCW. The commissioner must issue a written determination including the commissioner's findings after the hearing. A judicial appeal from the commissioner's determination may be taken in accordance with chapter 34.05 RCW.

<u>NEW SECTION.</u> Sec. 74. REMEDIES. Any employer who violates section 72 of this act is liable for damages equal to:

(1) The amount of:

(a) Any wages, salary, employment benefits, or other compensation denied or lost to such employee by reason of the violation; or

(b) In a case in which wages, salary, employment benefits, or other compensation have not been denied or lost to the employee, any actual monetary losses sustained by the employee as a direct result of the violation, such as the cost of providing care, up to a sum equal to wages or salary for the employee for up to sixteen weeks, or eighteen weeks if the employee experiences a serious health condition with a pregnancy that results in incapacity.

(2)(a) The interest on the amount described in subsection (1) of this section calculated at the prevailing rate; and

(b) For a willful violation, an additional amount as liquidated damages equal to the sum of the amount described in subsection (1) of this section and the interest described in this subsection (2). For purposes of this section, "willful" means a knowing and intentional action that is neither accidental nor the result of a bona fide dispute.

<u>NEW SECTION.</u> Sec. 75. POSTING OF NOTICE. Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the commissioner, setting forth excerpts from, or summaries of, the pertinent provisions of this chapter and information pertaining to the filing of a complaint. Any employer that willfully violates this section may be subject to a civil penalty of not more than one hundred dollars for each separate offense. Any penalties collected by the department under this section shall be deposited into the family and medical leave enforcement account.

<u>NEW SECTION.</u> Sec. 76. FAMILY AND MEDICAL LEAVE ENFORCEMENT ACCOUNT. The family and medical leave enforcement account is created in the custody of the state treasurer. Any money in the family leave insurance account created in section 19, chapter 357, Laws of 2007 is transferred to the account created in this section. Any penalties and interest collected under sections 5, 20, 32, 33, 55, 68, and 75 of this act shall be deposited into the account and shall be used only for the purposes of administering and enforcing this chapter. Only the commissioner 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.

<u>NEW SECTION.</u> Sec. 77. OTHER LAWS—DISCRIMINATION. Nothing in this chapter shall be construed to modify or affect any state or local law prohibiting discrimination on the basis of race, creed, religion, color, national origin, families with children, sex, marital status, sexual orientation including gender expression or identity, age, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability.

<u>NEW SECTION.</u> Sec. 78. MISCELLANEOUS RIGHTS. (1) Nothing in this chapter shall be construed to discourage employers from:

(a) Adopting or retaining leave policies more generous than any policies that comply with the requirements under this chapter; or

(b) Making payments to supplement the benefit payments provided under section 6 of this act to an employee on family or medical leave.

(2) Any agreement by an individual to waive his or her rights under this chapter is void as against public policy.

(3) After January 1, 2020, subject to section 87 of this act, an employee's rights under this chapter may not be diminished by a collective bargaining agreement or employer policy.

<u>NEW SECTION.</u> Sec. 79. COORDINATION OF LEAVE UNDER OTHER LAWS. (1) Leave under this chapter and leave under the federal family and medical leave act of 1993 (Act Feb. 5, 1993, P.L. 103-3, 107 Stat. 6, as it existed on the effective date of this section) is in addition to any leave for sickness or temporary disability because of pregnancy or childbirth.

(2) Unless otherwise expressly permitted by the employer, leave taken under this chapter must be taken concurrently with any leave taken under the federal family and medical leave act of 1993 (Act Feb. 5, 1993, P.L. 103-3, 107 Stat. 6, as it existed on the effective date of this section).

<u>NEW SECTION.</u> Sec. 80. FEDERAL INCOME TAXES. (1) If the internal revenue service determines that family or medical leave benefits under this chapter are subject to federal income tax, the department must advise an employee filing a new application for benefits, at the time of filing such application, that:

(a) The internal revenue service has determined that benefits are subject to federal income tax;

(b) Requirements exist pertaining to estimated tax payments;

(c) The employee may elect to have federal income tax deducted and withheld from the employee's payment of benefits at the amount specified in the federal internal revenue code; and

(d) The employee is permitted to change a previously elected withholding status.

(2) Amounts deducted and withheld from benefits must remain in the family and medical leave insurance account until transferred to the federal taxing authority as a payment of income tax. (3) The commissioner shall follow all procedures specified by the federal internal revenue service pertaining to the deducting and withholding of income tax.

<u>NEW SECTION.</u> Sec. 81. NO CONTINUING RIGHT. This chapter does not create a continuing entitlement or contractual right. The legislature reserves the right to amend or repeal all or part of this chapter at any time, and a benefit or other right granted under this chapter exists subject to the legislature's power to amend or repeal this chapter. There is no vested private right of any kind against such amendment or repeal.

<u>NEW SECTION.</u> Sec. 82. FAMILY AND MEDICAL LEAVE INSURANCE ACCOUNT. (1) The family and medical leave insurance account is created in the custody of the state treasurer. All receipts from premiums imposed under this chapter must be deposited in the account. Expenditures from the account may be used only for the purposes of the family and medical leave program. Only the commissioner or the commissioner's designee may authorize expenditures from the account. The account is subject to the allotment procedures under chapter 43.88 RCW. An appropriation is required for administrative expenses, but not for benefit payments.

(2) Money deposited in the account shall remain a part of the account until expended pursuant to the requirements of this chapter or transferred in accordance with subsection (3) of this section. The commissioner shall maintain a separate record of the deposit, obligation, expenditure, and return of funds so deposited. Any money so deposited which either will not be obligated within the period specified by the appropriations act or remains unobligated at the end of the period, and any money which has been obligated within the period but will not be expended, shall be returned promptly to the family and medical leave insurance account.

(3) Money shall be transferred from the family and medical leave insurance account and deposited in the unemployment trust fund solely for the repayment of benefits not charged to employers as defined in RCW 50.29.021(4)(a)(vii). The commissioner shall direct the transfer, which must occur on or before the cut-off date as defined in RCW 50.29.010.

(4) Money transferred as provided in subsection (3) of this section for the repayment of benefits not charged to employers shall be deposited in the unemployment compensation fund and shall remain a part of the unemployment compensation fund until expended pursuant to RCW 50.16.030. The commissioner shall maintain a separate record of the deposit, obligation, expenditure, and return of funds so deposited. Any money so deposited which either will not be obligated within the period specified by the appropriation law or remains unobligated at the end of the period, and any money which has been obligated within the period but will not be expended, shall be returned promptly to the account of this state in the unemployment trust fund.

Sec. 83. RCW 50.29.021 and 2013 c 244 s 1 and 2013 c 189 s 3 are each reenacted and amended to read as follows:

UNEMPLOYMENT NONCHARGING OF BENEFITS.

(1) This section applies to benefits charged to the experience rating accounts of employers for claims that have an effective date on or after January 4, 2004.

(2)(a) An experience rating account shall be established and maintained for each employer, except employers as described in RCW 50.44.010, 50.44.030, and 50.50.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, based on existing records of the employment security department.

(b) Benefits paid to an eligible individual shall be charged to the experience rating accounts of each of such individual's employers during the individual's base year in the same ratio that the wages paid by each employer to the individual during the base year bear to the wages paid by all employers to that individual during that base year, except as otherwise provided in this section.

(c) When the eligible individual's separating employer is a covered contribution paying base year employer, benefits paid to the eligible individual shall be charged to the experience rating account of only the individual's separating employer if the individual qualifies for benefits under:

(i) RCW 50.20.050 (1)(b)(i) or (2)(b)(i), as applicable, and became unemployed after having worked and earned wages in the bona fide work; or

(ii) RCW 50.20.050 (1)(b) (v) through (x) or (2)(b) (v) through (x).

(3) The legislature finds that certain benefit payments, in whole or in part, should not be charged to the experience rating accounts of employers except those employers described in RCW 50.44.010, 50.44.030, and 50.50.030 who have properly elected to make payments in lieu of contributions, taxable local government employers described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, as follows:

(a) Benefits paid to any individual later determined to be ineligible shall not be charged to the experience rating account of any contribution paying employer, except as provided in subsection (5) of this section.

(b) Benefits paid to an individual filing under the provisions of chapter 50.06 RCW shall not be charged to the experience rating account of any contribution paying employer only if:

(i) The individual files under RCW 50.06.020(1) after receiving crime victims' compensation for a disability resulting from a nonwork-related occurrence; or

(ii) The individual files under RCW 50.06.020(2).

(c) Benefits paid which represent the state's share of benefits payable as extended benefits defined under RCW 50.22.010(6) shall not be charged to the experience rating account of any contribution paying employer.

(d) In the case of individuals who requalify for benefits under RCW 50.20.050 or 50.20.060, benefits based on wage credits earned prior to the disqualifying separation shall not be charged to the experience rating account of the contribution paying employer from whom that separation took place.

(e) Benefits paid to an individual who qualifies for benefits under RCW 50.20.050 (1)(b) (iv) or (xi) or (2)(b) (iv) or (xi), as applicable, shall not be charged to the experience rating account of any contribution paying employer.

(f) With respect to claims with an effective date on or after the first Sunday following April 22, 2005, benefits paid that exceed the benefits that would have been paid if the weekly benefit amount for the claim had been determined as one percent of the total wages paid in the individual's base year shall not be charged to the experience rating account of any contribution paying employer. This

(g) The forty-five dollar increase paid as part of an individual's weekly benefit amount as provided in RCW 50.20.1201 and the twenty-five dollar increase paid as part of an individual's weekly benefit amount as provided in RCW 50.20.1202 shall not be charged to the experience rating account of any contribution paying employer.

(h) With respect to claims where the minimum amount payable weekly is increased to one hundred fifty-five dollars pursuant to RCW 50.20.1201(3), benefits paid that exceed the benefits that would have been paid if the minimum amount payable weekly had been calculated pursuant to RCW 50.20.120 shall not be charged to the experience rating account of any contribution paying employer.

(i) Upon approval of an individual's training benefits plan submitted in accordance with RCW 50.22.155(2), an individual is considered enrolled in training, and regular benefits beginning with the week of approval shall not be charged to the experience rating account of any contribution paying employer.

(j) Training benefits paid to an individual under RCW 50.22.155 shall not be charged to the experience rating account of any contribution paying employer.

(4)(a) A contribution paying base year employer, except employers as provided in subsection (6) of this section, not otherwise eligible for relief of charges for benefits under this section, may receive such relief if the benefit charges result from payment to an individual who:

(i) Last left the employ of such employer voluntarily for reasons not attributable to the employer;

(ii) Was discharged for misconduct or gross misconduct connected with his or her work not a result of inability to meet the minimum job requirements;

(iii) Is unemployed as a result of closure or severe curtailment of operation at the employer's plant, building, worksite, or other facility. This closure must be for reasons directly attributable to a catastrophic occurrence such as fire, flood, or other natural disaster;

(iv) Continues to be employed on a regularly scheduled permanent part-time basis by a base year employer and who at some time during the base year was concurrently employed and subsequently separated from at least one other base year employer. Benefit charge relief ceases when the employment relationship between the employer requesting relief and the claimant is terminated. This subsection does not apply to shared work employers under chapter 50.60 RCW;

(v) Continues to be employed on a regularly scheduled permanent part-time basis by a base year employer and who qualified for two consecutive unemployment claims where wages were attributable to at least one employer who employed the individual in both base years. Benefit charge relief ceases when the employment relationship between the employer requesting relief and the claimant is terminated. This subsection does not apply to shared work employers under chapter 50.60 RCW; (( $\sigma$ r))

(vi) Was hired to replace an employee who is a member of the military reserves or National Guard and was called to federal active military service by the president of the United States and is subsequently laid off when that employee is reemployed by their employer upon release from active duty within the time provided for reemployment in RCW 73.16.035; or

(vii) Worked for an employer for twenty weeks or less, and was laid off at the end of temporary employment when that employee temporarily replaced a permanent employee receiving family or medical leave benefits under this chapter, and the layoff is due to the return of that permanent employee. This subsection (4)(a)(vii) applies to claims with an effective date on or after January 1, 2020.

(b) The employer requesting relief of charges under this subsection must request relief in writing within thirty days following mailing to the last known address of the notification of the valid initial determination of such claim, stating the date and reason for the separation or the circumstances of continued employment. The commissioner, upon investigation of the request, shall determine whether relief should be granted.

(5) When a benefit claim becomes invalid due to an amendment or adjustment of a report where the employer failed to report or inaccurately reported hours worked or remuneration paid, or both, all benefits paid will be charged to the experience rating account of the contribution paying employer or employers that originally filed the incomplete or inaccurate report or reports. An employer who reimburses the trust fund for benefits paid to workers and who fails to report or inaccurately reported hours worked or remuneration paid, or both, shall reimburse the trust fund for all benefits paid that are based on the originally filed incomplete or inaccurate reports.

(6) An employer's experience rating account may not be relieved of charges for a benefit payment and an employer who reimburses the trust fund for benefit payments may not be credited for a benefit payment if a benefit payment was made because the employer or employer's agent failed to respond timely or adequately to a written request of the department for information relating to the claim or claims without establishing good cause for the failure and the employer or employer's agent has a pattern of such failures. The commissioner has the authority to determine whether the employer has good cause under this subsection.

(a) For the purposes of this subsection, "adequately" means providing accurate information of sufficient quantity and quality that would allow a reasonable person to determine eligibility for benefits.

(b)(i) For the purposes of this subsection, "pattern" means a benefit payment was made because the employer or employer's agent failed to respond timely or adequately to a written request of the department for information relating to a claim or claims without establishing good cause for the failure, if the greater of the following calculations for an employer is met:

(A) At least three times in the previous two years; or

(B) Twenty percent of the total current claims against the employer.

(ii) If an employer's agent is utilized, a pattern is established based on each individual client employer that the employer's agent represents.

<u>NEW SECTION.</u> Sec. 84. SMALL BUSINESS ASSISTANCE. (1) The legislature recognizes that while family leave and medical leave benefit both employees and employers, there may be costs that disproportionately impact small businesses. To equitably balance the risks among employers, the legislature intends to assist small businesses with the costs of an employee's use of family or medical leave.

(2) Employers with one hundred fifty or fewer employees and employers with fifty or fewer employees who are assessed all premiums under section 8(5)(b) of this act may apply to the department for a grant under this section.

(3)(a) An employer may receive a grant of three thousand dollars if the employer hires a temporary worker to replace an employee on family or medical leave for a period of seven days or more.

(b) For an employee's family or medical leave, an employer may receive a grant of up to one thousand dollars as reimbursement for significant additional wage-related costs due to the employee's leave.

(c) An employer may receive a grant under (a) or (b) of this subsection, but not both, except that an employer who received a grant under (b) of this subsection may receive a grant of the difference between the grant awarded under (b) of this subsection and three thousand dollars if the employee on leave extended the leave beyond the leave initially planned and the employer hired a temporary worker for the employee on leave.

(4) An employer may apply for a grant no more than ten times per calendar year and no more than once for each employee on leave.

(5) To be eligible for a grant, the employer must provide the department written documentation showing the temporary worker hired or significant wage-related costs incurred are due to an employee's use of family or medical leave.

(6) The department must assess an employer with fewer than fifty employees who receives a grant under this section for all premiums for three years from the date of receipt of a grant.

(7) The grants under this section shall be funded from the family and medical leave insurance account.

(8) The commissioner shall adopt rules as necessary to implement this section.

(9) For the purposes of this section, the number of employees must be calculated as provided in section 8 of this act.

(10) An employer who has an approved voluntary plan is not eligible to receive a grant under this section.

<u>NEW SECTION.</u> Sec. 85. RULES. The commissioner shall adopt rules as necessary to implement this chapter.

<u>NEW SECTION.</u> Sec. 86. REPORTS. Beginning December 1, 2020, and annually thereafter, the department shall report to the legislature on the entire program, including:

(1) Projected and actual program participation;

(2) Premium rates;

(3) Fund balances;

(4) Benefits paid;

(5) Demographic information on program participants, including income, gender, race, ethnicity, geographic distribution by county and legislative district, and employment sector;

(6) Costs of providing benefits;

(7) Elective coverage participation;

(8) Voluntary plan participation;

(9) Outreach efforts; and

(10) Small business assistance.

<u>NEW SECTION.</u> Sec. 87. COLLECTIVE BARGAINING. Nothing in this act requires any party to a collective bargaining agreement in existence on the effective date of this section to reopen negotiations of the agreement or to apply any of the rights and responsibilities under this act unless and until the existing agreement is reopened or renegotiated by the parties or expires.

<u>NEW SECTION.</u> Sec. 88. OMBUDS. (1) The commissioner shall establish an ombuds office for family and medical leave within the department. The ombuds shall be appointed by the governor and report directly to the commissioner of the department. The ombuds is available to all employers and employees in the state.

(2) The person appointed ombuds shall hold office for a term of six years and shall continue to hold office until reappointed or until his or her successor is appointed. The governor may remove the ombuds only for neglect of duty, misconduct, or inability to perform duties. Any vacancy shall be filled by similar appointment for the remainder of the unexpired term.

(3) The ombuds shall:

(a) Offer and provide information on family and medical leave to employers and employees;

(b) Act as an advocate for employers and employees in their dealings with the department;

(c) Identify, investigate, and facilitate resolution of disputes and complaints under this chapter; and

(d) Refer complaints to the department when appropriate.

(4) The ombuds may conduct surveys of employees. Survey questions and results are confidential and not subject to public disclosure.

(5) The ombuds is not liable for the good faith performance of responsibilities under this chapter.

**Sec. 89.** RCW 43.79A.040 and 2017 c 322 s 5, 2017 c 285 s 5, and 2017 c 257 s 5 are each reenacted and amended to read as follows:

TREASURY INTEREST.

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

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

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

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

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

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

(d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer pursuant to an agreement with the office of the state treasurer shall receive its proportionate share of earnings based upon each account's or fund's average daily balance for the period. (5) In conformance with Article II, section 37 of the state Constitution, no trust accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Sec. 90. RCW 49.76.020 and 2008 c 286 s 2 are each amended to read as follows:

TECHNICAL AMENDMENT TO ADDRESS CROSS-REFERENCE TO REPEALED SECTION.

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

(1) "Child," "spouse," "parent," "parent-in-law," "grandparent," and "sick leave and other paid time off" have the same meanings as in RCW 49.12.265.

(2) "Dating relationship" has the same meaning as in RCW 26.50.010.

(3) "Department," "director," "employer," and "employee" have the same meanings as in RCW 49.12.005.

(4) "Domestic violence" has the same meaning as in RCW 26.50.010.

(5) "Family member" means any individual whose relationship to the employee can be classified as a child, spouse, parent, parent-in-law, grandparent, or person with whom the employee has a dating relationship.

(6) "Intermittent leave" ((and "reduced leave schedule" have the same meanings as in RCW 49.78.020)) is leave taken in separate blocks of time due to a single qualifying reason.

(7) "Reduced leave schedule" means a leave schedule that reduces the usual number of hours per workweek, or hours per workday, of an employee.

(((7))) (8) "Sexual assault" has the same meaning as in RCW 70.125.030.

(((8))) (9) "Stalking" has the same meaning as in RCW 9A.46.110.

Sec. 91. RCW 49.76.130 and 2008 c 286 s 13 are each amended to read as follows:

TECHNICAL AMENDMENT TO ADDRESS CROSS-REFERENCE TO REPEALED SECTION.

The department shall include notice of the provisions of this chapter in the next reprinting of employment posters ((printed under RCW 49.78.340). Employers shall post this notice as required in RCW 49.78.340)). Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, to be prepared or approved by the director, setting forth excerpts from, or summaries of, the pertinent provisions of this chapter and information pertaining to the filing of a charge. Any employer that willfully violates this section may be subject to a civil penalty of not more than one hundred dollars for each separate offense. Any penalties collected by the department under this section shall be deposited into the family and medical leave enforcement account.

Sec. 92. RCW 49.77.020 and 2008 c 71 s 2 are each amended to read as follows:

TECHNICAL AMENDMENT TO ADDRESS CROSS-REFERENCE TO REPEALED SECTION.

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

(1) "Department" ((and "spouse" have the same meanings as in RCW 49.78.020)) means the department of labor and industries.

(2) "Employee" means a person who performs service for hire for an employer, for an average of twenty or more hours per week, and includes all individuals employed at any site owned or operated by an employer, but does not include an independent contractor.

(3) "Employer" means: (a) Any person, firm, corporation, partnership, business trust, legal representative, or other business entity which engages in any business, industry, profession, or activity in this state; (b) the state, state institutions, and state agencies; and (c) any unit of local government including, but not limited to, a county, city, town, municipal corporation, quasi-municipal corporation, or political subdivision.

(4) "Period of military conflict" means a period of war declared by the United States Congress, declared by executive order of the president, or in which a member of a reserve component of the armed forces is ordered to active duty pursuant to either sections 12301 and 12302 of Title 10 of the United States Code or Title 32 of the United States Code.

(5) "Spouse" means a husband or wife, as the case may be, or state registered domestic partner.

Sec. 93. RCW 49.77.030 and 2008 c 71 s 3 are each amended to read as follows:

TECHNICAL AMENDMENT TO ADDRESS CROSS-REFERENCE TO REPEALED SECTION.

(1) During a period of military conflict, an employee who is the spouse of a member of the armed forces of the United States, national guard, or reserves who has been notified of an impending call or order to active duty or has been deployed is entitled to a total of fifteen days of unpaid leave per deployment after the military spouse has been notified of an impending call or order to active duty and before deployment or when the military spouse is on leave from deployment.

(2)(a) Except as provided in (b) of this subsection, any employee who takes leave under this chapter for the intended purpose of the leave is  $ext{entities}$  is  $ext{entitled}((:(a)))$ , on return from the leave:

(i) To be restored by the employer to ((a)) the position of employment ((in the same manner as an employee entitled to leave under chapter 49.78 RCW is restored to a position of employment, as specified in RCW 49.78.280; and (b) to continue benefits in the same manner as an employee entitled to leave under chapter 49.78 RCW continues benefits, as specified in RCW 49.78.290.

(3)) <u>held by the employee when the leave commenced; or</u>

(ii) To be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment at a workplace within twenty miles of the employee's workplace when leave commenced.

(b) The taking of leave under this chapter may not result in the loss of any employment benefits accrued before the date on which the leave commenced.

(c) Nothing in this section entitles any restored employee to:

(i) The accrual of any seniority or employment benefits during any period of leave; or

(ii) Any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the leave.

(d) Nothing in this subsection (2) prohibits an employer from requiring an employee on leave to report periodically to the employer on the status and intention of the employee to return to work.

(3) An employer may deny restoration under subsection (2) of this section to any salaried employee who is among the highest paid ten percent of the employees employed by the employer within seventy-five miles of the facility at which the employee is employed if:

(a) Denial is necessary to prevent substantial and grievous economic injury to the operations of the employer;

(b) The employer notifies the employee of the intent of the employer to deny restoration on such basis at the time the employer determines that the injury would occur; and

(c) The leave has commenced and the employee elects not to return to employment after receiving the notice.

(4) If the employee on leave under this chapter is not eligible for any employer contribution to medical or dental benefits under an applicable collective bargaining agreement or employer policy during any period of leave, an employer shall allow the employee to continue, at the employee's expense, medical or dental insurance coverage, in accordance with state or federal law. The premium to be paid by the employee shall not exceed one hundred two percent of the applicable premium for the leave period.

(5) An employee who seeks to take leave under this chapter must provide the employer with notice, within five business days of receiving official notice of an impending call or order to active duty or of a leave from deployment, of the employee's intention to take leave under this chapter.

(((4) An employer from which an employee seeks to take leave or takes leave under this chapter shall not engage in prohibited acts as specified in RCW 49.78.300.

(5))) (6) An employee who takes leave under this chapter may elect to substitute any of the accrued leave to which the employee may be entitled for any part of the leave provided under this chapter.

(((6))) (7) The department shall administer the provisions of this chapter, and may adopt rules as necessary to implement this chapter.

(((7) This chapter shall be enforced as provided in chapter 49.78 RCW.))

<u>NEW SECTION.</u> Sec. 94. A new section is added to chapter 49.77 RCW to read as follows:

TECHNICAL SECTION TO ADDRESS CROSS-REFERENCE TO REPEALED SECTION.

(1) It is unlawful for any employer to:

(a) Interfere with, restrain, or deny the exercise of, or the attempt to exercise, any right provided under this chapter; or

(b) Discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this chapter.

(2) It is unlawful for any person to discharge or in any other manner discriminate against any individual because the individual has:

(a) Filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this chapter;

(b) Given, or is about to give, any information in connection with any inquiry or proceeding relating to any right provided under this chapter; or

(c) Testified, or is about to testify, in any inquiry or proceeding relating to any right provided under this chapter.

<u>NEW SECTION.</u> Sec. 95. A new section is added to chapter 49.77 RCW to read as follows:

TECHNICAL SECTION TO ADDRESS CROSS-REFERENCE TO REPEALED SECTION.

Upon complaint by an employee, the director shall investigate to determine if there has been compliance with this chapter and the rules adopted under this chapter. If the investigation indicates that a violation may have occurred, a hearing must be held in accordance with chapter 34.05 RCW. The director must issue a written determination including his or her findings after the hearing. A judicial appeal from the director's determination may be taken in accordance with chapter 34.05 RCW, with the prevailing party entitled to recover reasonable costs and attorneys' fees.

<u>NEW SECTION.</u> Sec. 96. A new section is added to chapter 49.77 RCW to read as follows:

TECHNICAL SECTION TO ADDRESS CROSS-REFERENCE TO REPEALED SECTION.

An employer who is found, in accordance with section 95 of this act, to have violated a requirement of this chapter and the rules adopted under this chapter, is subject to a civil penalty of not less than one thousand dollars for each violation. Civil penalties must be collected by the department and deposited into the family and medical leave enforcement account.

<u>NEW SECTION.</u> Sec. 97. A new section is added to chapter 49.77 RCW to read as follows:

TECHNICAL SECTION TO ADDRESS CROSS-REFERENCE TO REPEALED SECTION.

(1) Any employer who violates section 94 of this act is liable:

(a) For damages equal to:

(i) The amount of:

(A) Any wages, salary, employment benefits, or other compensation denied or lost to such employee by reason of the violation; or

(B) In a case in which wages, salary, employment benefits, or other compensation have not been denied or lost to the employee, any actual monetary losses sustained by the employee as a direct result of the violation, such as the cost of providing care, up to a sum equal to twelve weeks of wages or salary for the employee;

(ii) The interest on the amount described in (a)(i) of this subsection calculated at the prevailing rate; and

(iii) An additional amount as liquidated damages equal to the sum of the amount described in (a)(i) of this subsection and the interest described in (a)(i) of this subsection, except that if an employer who has violated section 94 of this act proves to the satisfaction of the court that the act or omission which violated section 94 of this act was in good faith and that the employer had reasonable

grounds for believing that the act or omission was not a violation of section 94 of this act, the court may, in the discretion of the court, reduce the amount of the liability to the amount and interest determined under (a)(i) and (ii) of this subsection, respectively; and

(b) For such equitable relief as may be appropriate, including employment, reinstatement, and promotion.

(2) An action to recover the damages or equitable relief prescribed in subsection (1) of this section may be maintained against any employer in any court of competent jurisdiction by any one or more employees for and on behalf of:

(a) The employees; or

(b) The employees and other employees similarly situated.

(3) The court in such an action shall, in addition to any judgment awarded to the plaintiff, allow reasonable attorneys' fees, reasonable expert witness fees, and other costs of the action to be paid by the defendant.

<u>NEW SECTION.</u> Sec. 98. REPEALERS. The following acts or parts of acts are each repealed:

(1) RCW 49.78.010 (Legislative findings) and 2006 c 59 s 1 & 1989 1st ex.s. c 11 s 1;

(2) RCW 49.78.020 (Definitions) and 2009 c 521 s 135, 2006 c 59 s 2, 1996 c 178 s 14, & 1989 1st ex.s. c 11 s 2;

(3) RCW 49.78.090 (Administration) and 1989 1st ex.s. c 11 s 9;

(4) RCW 49.78.220 (Entitlement to leave) and 2006 c 59 s 3;

(5) RCW 49.78.230 (Leave taken intermittently or on reduced leave schedule) and 2006 c 59 s 4;

(6) RCW 49.78.240 (Unpaid leave permitted—Relationship to paid leave) and 2006 c 59 s 5;

(7) RCW 49.78.250 (Foreseeable leave) and 2006 c 59 s 6;

(8) RCW 49.78.260 (Spouses employed by same employer) and 2006 c 59 s 7;

(9) RCW 49.78.270 (Certification) and 2006 c 59 s 8;

(10) RCW 49.78.280 (Employment protection) and 2006 c 59 s 9;

(11) RCW 49.78.290 (Employment benefits) and 2006 c 59 s 10;

(12) RCW 49.78.300 (Prohibited acts) and 2006 c 59 s 11;

(13) RCW 49.78.310 (Complaint investigations by director) and 2006 c 59 s 12;

(14) RCW 49.78.320 (Civil penalty) and 2006 c 59 s 13;

(15) RCW 49.78.330 (Civil action by employees) and 2006 c 59 s 14;

(16) RCW 49.78.340 (Notice—Penalties) and 2006 c 59 s 15;

(17) RCW 49.78.350 (Family and medical leave enforcement account) and 2006 c 59 s 16;

(18) RCW 49.78.360 (Effect on other laws) and 2006 c 59 s 17;

(19) RCW 49.78.370 (Effect on existing employment benefits) and 2006 c 59 s 18;

(20) RCW 49.78.380 (Encouragement of more generous leave policies) and 2006 c 59 s 19;

(21) RCW 49.78.390 (Relationship to federal family and medical leave act) and 2006 c 59 s 20;

(22) RCW 49.78.400 (Rules) and 2006 c 59 s 21;

(23) RCW 49.78.410 (Construction) and 2006 c 59 s 22;

(24) RCW 49.78.901 (Effective date—1989 1st ex.s. c 11) and 1989 1st ex.s. c 11 s 27; and

(25) RCW 49.78.904 (Construction—Chapter applicable to state registered domestic partnerships—2009 c 521) and 2009 c 521 s 134.

<u>NEW SECTION.</u> Sec. 99. REPEALERS. The following acts or parts of acts are each repealed:

(1) RCW 49.86.005 (Findings) and 2007 c 357 s 1;

(2) RCW 49.86.010 (Definitions) and 2007 c 357 s 3;

(3) RCW 49.86.020 (Family leave insurance program) and 2007 c 357 s 4;

(4) RCW 49.86.030 (Eligibility for benefits) and 2013 2nd sp.s. c 26 s 1, 2011 1st sp.s. c 25 s 1, 2009 c 544 s 1, & 2007 c 357 s 5;

(5) RCW 49.86.040 (Disqualification from benefits) and 2007 c 357 s 6;

(6) RCW 49.86.050 (Duration of benefits—Payment of benefits) and 2007 c 357 s 7;

(7) RCW 49.86.060 (Amount of benefits) and 2007 c 357 s 8;

(8) RCW 49.86.070 (Federal income tax) and 2007 c 357 s 9;

(9) RCW 49.86.080 (Erroneous payments—Payments induced by willful misrepresentation—Claim rejected after payments) and 2007 c 357 s 10;

(10) RCW 49.86.090 (Leave and employment protection) and 2007 c 357 s 11;

(11) RCW 49.86.100 (Employment by same employer) and 2007 c 357 s 12;

(12) RCW 49.86.110 (Elective coverage) and 2007 c 357 s 13;

(13) RCW 49.86.120 (Appeals) and 2007 c 357 s 14;

(14) RCW 49.86.130 (Prohibited acts—Discrimination—Enforcement) and 2007 c 357 s 15;

(15) RCW 49.86.140 (Coordination of leave) and 2007 c 357 s 16;

(16) RCW 49.86.150 (Continuing entitlement or contractual rights—Not created) and 2007 c 357 s 17;

(17) RCW 49.86.160 (Rules) and 2007 c 357 s 18;

(18) RCW 49.86.170 (Family leave insurance account) and 2009 c 4 s 905 & 2007 c 357 s 19;

(19) RCW 49.86.180 (Family leave insurance account funds—Investment) and 2007 c 357 s 20;

(20) RCW 49.86.210 (Reports) and 2013 2nd sp.s. c 26 s 2, 2011 1st sp.s. c 25 s 2, 2009 c 544 s 2, & 2007 c 357 s 26;

(21) RCW 49.86.902 (Effective dates—2007 c 357) and 2007 c 357 s 30; and

(22) RCW 49.86.903 (Construction—Chapter applicable to state registered domestic partnerships—2009 c 521) and 2009 c 521 s 136.

<u>NEW SECTION.</u> Sec. 100. CODIFICATION. Sections 1 through 82, 84 through 88, and 101 of this act constitute a new chapter in a new title to be codified as Title 50A RCW.

<u>NEW SECTION.</u> Sec. 101. FEDERAL SEVERABILITY. 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.

<u>NEW SECTION.</u> Sec. 102. STATE SEVERABILITY. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 103. EFFECTIVE DATE. Sections 90 through 98 of this act take effect December 31, 2019.

Passed by the Senate June 30, 2017. Passed by the House June 30, 2017. Approved by the Governor July 5, 2017. Filed in Office of Secretary of State July 5, 2017.

## CHAPTER 6

[Second Engrossed Second Substitute House Bill 1661] DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES--CREATION

AN ACT Relating to creating the department of children, youth, and families; amending RCW 43.215.030, 43.17.010, 43.17.020, 43.06A.030, 43.215.100, 44.04.220, 43.215.020, 43.215.065, 43.215.070, 43.215.200, 43.215.216, 43.215.217, 43.215.218, 43.215.405, 43.215.420, 43.215.495, 43.215.545, 43.215.550, 28A.150.315, 28A.155.065, 28A.210.070, 28A.215.020, 28A.320.191, 28A.400.303, 28A.410.010, 43.41.400, 43.43.837, 43.43.838, 43.88.096, 4.24.595, 13.34.030, 13.34.090, 13.34.096, 13.34.110, 13.34.136, 13.34.141, 13.34.180, 13.34.820, 13.38.040, 13.50.010, 13.50.100, 13.50.140, 13.60.010, 13.60.040, 13.64.030, 13.64.050, 26.33.020, 26.33.345, 26.44.020, 26.44.030, 26.44.040, 26.44.050, 26.44.063, 26.44.105, 26.44.140, 43.20A.360, 74.04.800, 26.34.030, 26.34.040, 70.02.220, 26.10.135, 26.50.150, 26.50.160, 28A.150.510, 74.09.510, 74.13.020, 74.13.025, 74.13.039, 74.13.062, 74.13.1051, 74.13.107, 74.13.335, 74.15.020, 74.15.030, 74.15.060, 74.15.070, 74.15.080, 74.15.120, 74.15.134, 74.15.200, 74.15.901, 13.32A.030, 13.32A.178, 74.13A.075, 74.13A.060, 74.13A.085, 74.13B.005, 74.13B.010, 74.14B.010, 74.14B.050, 74.14B.070, 74.14B.080, 74.14C.005, 74.14C.010, 74.14C.070, 13.40.220, 13.40.285, 13.40.300, 13.40.310, 13.40.320, 13.40.460, 13.40.462, 13.40.464, 13.40.466, 13.40.468, 13.40.510, 13.40.520, 13.40.540, 13.40.560, 74.14A.030, 74.14A.040, 72.01.045, 72.01.050, 13.16.100, 28A.225.010, 72.09.337, 72.05.010, 72.05.020, 72.05.130, 72.05.154, 72.05.415, 72.05.435, 72.05.440, 72.19.010, 72.19.020, 72.19.030, 72.19.040, 72.19.050, 72.19.060, 72.72.030, 72.72.040, 13.06.020, 13.06.030, 13.06.040, 13.06.050, 28A.190.010, 28A.190.020, 28A.190.040, 28A.190.050, 28A.190.060, 71.34.795, 72.01.010, 72.01.210, 72.01.410, 9.96A.060, 9.97.020, 41.06.475, 41.56.030, 41.56.510, 43.06A.100, 43.20A.090, 43.06A.060, 43.06A.070, 43.15.020, 70.02.200, 74.04.060, and 74.34.063; reenacting and amending RCW 42.17A.705, 43.215.010, 43.215.215, 42.56.230, 43.43.832, 13.36.020, 13.36.020, 13.04.030, 13.40.020, 13.40.280, and 70.02.230; adding a new section to chapter 41.06 RCW; adding a new chapter to Title 43 RCW; creating new sections; recodifying RCW 43.215.010, 43.215.020, 43.215.030, 43.215.050, 43.215.060, 43.215.065, 43.215.070, 43.215.080, 43.215.090, 43.215.099, 43.215.100, 43.215.1001, 43.215.101, 43.215.102, 43.215.103, 43.215.105, 43.215.110, 43.215.120, 43.215.130, 43.215.135, 43.215.1351, 43.215.1352, 43.215.136, 43.215.137, 43.215.140, 43.215.145, 43.215.146, 43.215.147, 43.215.195, 43.215.---, 43.215.200, 43.215.201, 43.215.205, 43.215.210, 43.215.215, 43.215.216, 43.215.217, 43.215.218, 43.215.220, 43.215.230, 43.215.240, 43.215.250, 43.215.255, 43.215.260, 43.215.270, 43.215.280, 43.215.290, 43.215.300, 43.215.305, 43.215.307, 43.215.308, 43.215.310, 43.215.320, 43.215.330, 43.215.335, 43.215.340, 43.215.350, 43.215.355, 43.215.360, 43.215.370, 43.215.371, 43.215.---, 43.215.400, 43.215.405, 43.215.410, 43.215.415, 43.215.420, 43.215.425, 43.215.430, 43.215.435, 43.215.440, 43.215.445, 43.215.450, 43.215.455, 43.215.456, 43.215.457, 43.215.460, 43.215.470, 43.215.472, 43.215.474, 43.215.476, 43.215.490, 43.215.492, 43.215.495, 43.215.500, 43.215.502, 43.215.505, 43.215.510, 43.215.520, 43.215.525, 43.215.530,

43.215.532, 43.215.535, 43.215.540, 43.215.545, 43.215.550, 43.215.555, 43.215.560, 43.215.562, 43.215.564, 43.215.---, 43.215.900, 43.215.901, 43.215.903, 43.215.905, 43.215.908, and 43.215.909; decodifying RCW 13.40.800, 43.215.005, 43.215.125, 43.215.907, 72.05.300, and 74.14B.900; repealing RCW 43.20A.780, 43.20A.850, and 43.215.040; providing effective dates; providing expiration dates; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. FINDINGS. (1) The legislature finds that state services are not currently organized and delivered in a way that achieves the optimal outcomes for children, youth, and families. The legislature believes that, to improve service delivery and outcomes, existing services must be restructured into a comprehensive agency dedicated to the safety, development, and wellbeing of children that emphasizes prevention, early childhood development, and early intervention, and supporting parents to be their children's first and most important teachers.

(2) The legislature finds that:

(a) The early years of a child's life are critical to the child's healthy brain development and that the quality of caregiving during the early years can significantly impact the child's intellectual, social, and emotional development;

(b) A successful outcome for every child obtaining a K-12 education depends on children being prepared from birth for academic and social success in school. For children at risk of school failure, the opportunity gap often emerges as early as eighteen months of age;

(c) A more cohesive and integrated early learning system has been established that provides a solid foundation for further improvements in the quality and availability of early learning programs; and

(d) Increasing the availability of high quality services for children ages birth to three and their parents or caregivers will result in improved school and life outcomes.

(3) Research is clear that quality culturally and linguistically responsive early care and education builds the foundation for a child's success in school and in life. In restructuring early learning and child welfare services, the legislature seeks to build on the success of Washington's early learning efforts to assure children most at risk of experiencing adversity are provided high quality early learning experiences.

(4) The legislature finds that advancements in research and science have identified indicators of risk, how they impact healthy development, and the critical importance of stable, nurturing relationships, particularly in the early years. Services for families and children should be prioritized for those who are most at risk of neglect, physical harm, and other adverse factors.

(5) The legislature finds that a focus on adolescent development is needed to ensure that effective supports and interventions are targeted to support adolescents successfully transitioning to adulthood. Youth known to both the child welfare and juvenile justice systems often suffer from childhood trauma, have multisystem involvement, and experience homelessness. Increased integration of the child welfare and juvenile justice systems can increase opportunities for prevention and improve outcomes for youth in both systems.

(6) The legislature finds that children and youth of color are disproportionately impacted at every point in the child welfare and juvenile justice systems. The department of children, youth, and families must prioritize

addressing equity, disproportionality, and disparity in service delivery and outcomes, and provide transparent, frequent reporting of outcomes by race, ethnicity, and geography. The legislature finds that the state values the partnership with tribes in providing services for our children and youth and intends to honor the government-to-government relationship between the state and tribes.

(7) The department of children, youth, and families must be anchored in a culture of innovation, transparency, accountability, rigorous data analysis, and reliance on research and evidence-based interventions.

(8) The legislature finds that the public expects an effective service delivery system that is comprehensive, accountable, and goes beyond a single department's role. For this reason, the legislature is creating a mechanism in the department of children, youth, and families to align, integrate, and ensure accountability of state services for children, youth, and their families across state agencies so that there is a seamless, effective, prevention and early intervention-based service system regardless of which state agency is responsible for particular services.

(9) The legislature finds that the work of the department of children, youth, and families will only be as successful as the workforce—both the agency employees and community-based providers. Increased support for the professionals working with children, youth, and families is critical to improving outcomes.

(10) The legislature further finds that other states have successfully established integrated departments dedicated to serving children, youth, and families. These departments have improved the visibility of child and family issues, increased authority and accountability, enabled system improvements, and created a stronger focus on improving child outcomes.

## PART I

## DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES CREATED

<u>NEW SECTION.</u> Sec. 101. (1)(a) The department of children, youth, and families is created as an executive branch agency. The department is vested with all powers and duties transferred to it under this act and such other powers and duties as may be authorized by law. The vision for the department is that Washington state's children and youth grow up safe and health-thriving physically, emotionally, and academically, nurtured by family and community.

(b) The department, in partnership with state and local agencies, tribes, and communities, shall protect children and youth from harm and promote healthy development with effective, high quality prevention, intervention, and early education services delivered in an equitable manner. An important role for the department shall be to provide preventative services to help secure and preserve families in crisis. The department shall partner with the federally recognized Indian tribes to develop effective services for youth and families while respecting the sovereignty of those tribes and the government-to-government relationship. Nothing in chapter . . ., Laws of 2017 3rd sp. sess. (this act) alters the duties, requirements, and policies of the federal Indian child welfare act, 25 U.S.C. Secs. 1901 through 1963, as amended, or the Indian child welfare act, chapter 13.38 RCW.

(2) Beginning July 1, 2018, the department must develop definitions for, work plans to address, and metrics to measure the outcomes for children, youth,

and families served by the department and must work with state agencies to ensure services for children, youth, and families are science-based, outcomedriven, data-informed, and collaborative.

(3)(a) Beginning July 1, 2018, the department must establish short and longterm population level outcome measure goals, including metrics regarding reducing disparities by family income, race, and ethnicity in each outcome.

(b) The department must report to the legislature on outcome measures, actions taken, progress toward these goals, and plans for the future year, no less than annually, beginning December 1, 2018.

(c) The outcome measures must include, but are not limited to:

(i) Improving child development and school readiness through voluntary, high quality early learning opportunities as measured by: (A) Increasing the number and proportion of children kindergarten-ready as measured by the Washington kindergarten inventory of developing skills (WAKids) assessment including mathematics; (B) increasing the proportion of children in early learning programs that have achieved the level 3 or higher early achievers quality standard; and (C) increasing the available supply of licensed child care in both child care centers and family homes, including providers not receiving state subsidy;

(ii) Preventing child abuse and neglect;

(iii) Improving child and youth safety, permanency, and well-being as measured by: (A) Reducing the number of children entering out-of-home care; (B) reducing a child's length of stay in out-of-home care; (C) reducing maltreatment of youth while in out-of-home care; (D) licensing more foster homes than there are children in foster care; (E) reducing the number of children that reenter out-of-home care within twelve months; (F) increasing the stability of placements for children in out-of-home care; and (G) developing strategies to demonstrate to foster families that their service and involvement is highly valued by the department, as demonstrated by the development of strategies to consult with foster families regarding future placement of a foster child currently placed with a foster family;

(iv) Improving reconciliation of children and youth with their families as measured by: (A) Increasing family reunification; and (B) increasing the number of youth who are reunified with their family of origin;

(v) In collaboration with county juvenile justice programs, improving adolescent outcomes including reducing multisystem involvement and homelessness; and increasing school graduation rates and successful transitions to adulthood for youth involved in the child welfare and juvenile justice systems;

(vi) Reducing future demand for mental health and substance use disorder treatment for youth involved in the child welfare and juvenile justice systems;

(vii) In collaboration with county juvenile justice programs, reducing criminal justice involvement and recidivism as measured by: (A) An increase in the number of youth who successfully complete the terms of diversion or alternative sentencing options; (B) a decrease in the number of youth who commit subsequent crimes; and (C) eliminating the discharge of youth from institutional settings into homelessness; and

(viii) Reducing racial and ethnic disproportionality and disparities in system involvement and across child and youth outcomes in collaboration with other state agencies. (4) Beginning July 1, 2018, the department must:

(a) Lead ongoing collaborative work to minimize or eliminate systemic barriers to effective, integrated services in collaboration with state agencies serving children, youth, and families;

(b) Identify necessary improvements and updates to statutes relevant to their responsibilities and proposing legislative changes to the governor no less than biennially;

(c) Help create a data-focused environment in which there are aligned outcomes and shared accountability for achieving those outcomes, with shared, real-time data that is accessible to authorized persons interacting with the family, child, or youth to identify what is needed and which services would be effective;

(d) Lead the provision of state services to adolescents, focusing on key transition points for youth, including exiting foster care and institutions, and coordinating with the office of homeless youth prevention and protection programs to address the unique needs of homeless youth; and

(e) Create and annually update a list of the rights and responsibilities of foster parents in partnership with foster parent representatives. The list of foster parent rights and responsibilities must be posted on the department's web site and provided to foster parents in writing at the time of licensure.

(5) The department is accountable to the public. To ensure transparency, beginning December 30, 2018, agency performance data for the services provided by the department, including outcome data for contracted services, must be available to the public, consistent with confidentiality laws, federal protections, and individual rights to privacy. Publicly available data must include budget and funding decisions, performance-based contracting data, including data for contracted services, and performance data on metrics identified in this section. The oversight board for children, youth, and families must work with the secretary and director to develop the most effective and cost-efficient ways to make department data available to the public, including making this data readily available on the department's web site.

(6) The department shall ensure that all new and renewed contracts for services are performance-based.

(7) As used in this section, "performance-based contract" means resultsoriented contracting that focuses on the quality or outcomes that tie at least a portion of the contractor's payment, contract extensions, or contract renewals to the achievement of specific measurable performance standards and requirements.

(8) The department must execute all new and renewed contracts for services in accordance with this section and consistent with RCW 74.13B.020. When contracted services are managed through a network administrator or other third party, the department must execute data-sharing agreements with the entities managing the contracts to track provider performance measures. Contracts with network administrators or other third parties must provide the contract administrator the ability to shift resources from one provider to another, to evaluate individual provider performance, to add or delete services in consultation with the department, and to reinvest savings from increased efficiencies into new or improved services in their catchment area. Whenever possible, contractor performance data must be made available to the public, consistent with confidentiality laws and individual rights to privacy. (9)(a) The oversight board for children, youth, and families shall begin its work and call the first meeting of the board on or after July 1, 2018. The oversight board shall immediately assume the duties of the legislative children's oversight committee, as provided for in RCW 74.13.570 and assume the full functions of the board as provided for in this section by July 1, 2019. The office of innovation, alignment, and accountability shall provide quarterly updates regarding the implementation of the department of children, youth, and families to the board between July 1, 2018, and July 1, 2019.

(b) The ombuds shall establish the oversight board for children, youth, and families. The board is authorized for the purpose of monitoring and ensuring that the department of children, youth, and families achieves the stated outcomes of chapter . . ., Laws of 2017 3rd sp. sess. (this act), and complies with administrative acts, relevant statutes, rules, and policies pertaining to early learning, juvenile rehabilitation, juvenile justice, and children and family services.

(10)(a) The oversight board for children, youth, and families shall consist of two senators and two representatives from the legislature with one member from each major caucus, one nonvoting representative from the governor's office, one subject matter expert in early learning, one subject matter expert in child welfare, one subject matter expert in juvenile rehabilitation and justice, one subject matter expert in reducing disparities in child outcomes by family income and race and ethnicity, one tribal representative from the west of the crest of the Cascade mountains, one tribal representative from the east of the crest of the Cascade mountains, one current or former foster parent representative, one representative of an organization that advocates for the best interest of the child, stakeholder group representative, one law enforcement one parent representative, one child welfare caseworker representative, one early childhood learning program implementation practitioner, and one judicial representative presiding over child welfare court proceedings or other children's matters.

(b) The senate members of the board shall be appointed by the leaders of the two major caucuses of the senate. The house of representatives members of the board shall be appointed by the leaders of the two major caucuses of the house of representatives. Members shall be appointed before the close of each regular session of the legislature during an odd-numbered year.

(c) The remaining board members shall be nominated by the governor, subject to the approval of the appointed legislators by majority vote, and serve four-year terms.

(11) The oversight board for children, youth, and families has the following powers, which may be exercised by majority vote of the board:

(a) To receive reports of the family and children's ombuds;

(b) To obtain access to all relevant records in the possession of the family and children's ombuds, except as prohibited by law;

(c) To select its officers and adoption of rules for orderly procedure;

(d) To request investigations by the family and children's ombuds of administrative acts;

(e) To request and receive information, outcome data, documents, materials, and records from the department of children, youth, and families relating to children and family welfare, juvenile rehabilitation, juvenile justice, and early learning;

(f) To determine whether the department of children, youth, and families is achieving the performance measures;

(g) If final review is requested by a licensee, to review whether department of children, youth, and families' licensors appropriately and consistently applied agency rules in child care facility licensing compliance agreements as defined in section 114 of this act that do not involve a violation of health and safety standards as defined in section 114 of this act in cases that have already been reviewed by the internal review process described in section 114 of this act with the authority to overturn, change, or uphold such decisions;

(h) To conduct annual reviews of a sample of department of children, youth, and families contracts for services from a variety of program and service areas to ensure that those contracts are performance-based and to assess the measures included in each contract; and

(i) Upon receipt of records or data from the family and children's ombuds or the department of children, youth, and families, the oversight board for children, youth, and families is subject to the same confidentiality restrictions as the family and children's ombuds is under RCW 43.06A.050. The provisions of RCW 43.06A.060 also apply to the oversight board for children, youth, and families.

(12) The oversight board for children, youth, and families has general oversight over the performance and policies of the department and shall provide advice and input to the department and the governor.

(13) The oversight board for children, youth, and families must no less than twice per year convene stakeholder meetings to allow feedback to the board regarding contracting with the department of children, youth, and families, departmental use of local, state, private, and federal funds, and other matters as relating to carrying out the duties of the department.

(14) The oversight board for children, youth, and families shall review existing surveys of providers, customers, parent groups, and external services to assess whether the department of children, youth, and families is effectively delivering services, and shall conduct additional surveys as needed to assess whether the department is effectively delivering services.

(15) The oversight board for children, youth, and families is subject to the open public meetings act, chapter 42.30 RCW.

(16) Records or information received by the oversight board for children, youth, and families is confidential to the extent permitted by state or federal law. This subsection does not create an exception for records covered by RCW 13.50.100.

(17) The oversight board for children, youth, and families members shall receive no compensation for their service on the board, but shall be reimbursed for travel expenses incurred while attending meetings of the board when authorized by the board in accordance with RCW 43.03.050 and 43.03.060.

(18) The oversight board for children, youth, and families shall select, by majority vote, an executive director who shall be the chief administrative officer of the board and shall be responsible for carrying out the policies adopted by the board. The executive director is exempt from the provisions of the state civil service law, chapter 41.06 RCW, and shall serve at the pleasure of the board established in this section.

(19) The oversight board for children, youth, and families shall maintain a staff not to exceed one full-time equivalent employee. The board-selected executive director of the board is responsible for coordinating staff appointments.

(20) The oversight board for children, youth, and families shall issue an annual report to the governor and legislature by December 1st of each year with an initial report delivered by December 1, 2019. The report must review the department of children, youth, and families' progress towards meeting stated performance measures and desired performance outcomes, and must also include a review of the department's strategic plan, policies, and rules.

(21) As used in this section, "department" means the department of children, youth, and families, "director" means the director of the office of innovation, alignment, and accountability, and "secretary" means the secretary of the department.

(22) The governor must appoint the secretary of the department within thirty days of the effective date of this section.

Sec. 102. RCW 43.215.030 and 2006 c 265 s 104 are each amended to read as follows:

(1) The executive head and appointing authority of the department is the  $((\frac{director}))$  secretary. The  $((\frac{director}))$  secretary shall be appointed by the governor with the consent of the senate, and shall serve at the pleasure of the governor. ((The governor shall solicit input from all parties involved in the private public partnership concerning this appointment.)) The (( $\frac{director}$ )) secretary shall be paid a salary to be fixed by the governor in accordance with RCW 43.03.040. If a vacancy occurs in the position of (( $\frac{director}$ )) secretary while the senate is not in session, the governor shall make a temporary appointment until the next meeting of the senate when the governor's nomination for the office of (( $\frac{director}$ )) secretary shall be presented.

(2) The ((director)) secretary may employ staff members, who shall be exempt from chapter 41.06 RCW, and any additional staff members as are necessary to administer this chapter and such other duties as may be authorized by law. The employment of such additional staff shall be in accordance with chapter 41.06 RCW, except as otherwise provided. The ((director)) secretary may delegate any power or duty vested in him or her by ((this)) chapter ..., Laws of 2017 3rd sp. sess. (this act) or other law, including authority to make final decisions and enter final orders in hearings conducted under chapter 34.05 RCW.

(3) The internal affairs of the department are under the control of the secretary in order that the secretary may manage the department in a flexible and intelligent manner as dictated by changing contemporary circumstances. Unless specifically limited by law, the secretary has the complete charge and supervisory powers over the department. The secretary may create the administrative structures in consultation with the office of innovation, alignment, and accountability established in section 104 of this act, except as otherwise specified in law, and the secretary may employ personnel as may be necessary in accordance with chapter 41.06 RCW, except as otherwise provided by law.

<u>NEW SECTION.</u> Sec. 103. (1) The office of innovation, alignment, and accountability is created within the department of children, youth, and families. The secretary of the department of children, youth, and families is the executive head and appointing authority, and serves at the pleasure of the governor. The secretary has the responsibility to work with the governor's office, the office of financial management, the department of social and health services, the department of early learning, and other impacted agencies to plan for the implementation of the department of children, youth, and families until July 1, 2018. The secretary shall be paid a salary to be fixed by the governor in accordance with RCW 43.03.040. If a vacancy occurs in the position of secretary of the department of children, youth, and families shall appoint a separate director of the office of innovation, alignment, and accountability.

(2) Until July 1, 2018, the primary duties and focus of the office of innovation, alignment, and accountability is on developing and presenting a plan for the establishment of the department of children, youth, and families, including consulting with stakeholders on the development of the plan and the functions in this subsection:

(a) Coordination among the department of early learning and the department of social and health services including technical and policy work groups to aid in the development of the items in (c) of this subsection;

(b) To convene research institutions that include federally recognized tribal representatives and address tribal specific topics, including university-based research institutions, the education data center, the department of social and health services' research and data analysis office, the Washington state institute for public policy, and the Washington state center for court research, to establish priorities for (c) of this subsection;

(c) Developing an integrated portfolio management and administrative structure for the department of children, youth, and families, that includes:

(i) Establishing mechanisms for effectively partnering with communitybased agencies, courts, small businesses, the federally recognized tribes in the state of Washington, federally recognized Indian tribes that are signatories to the Centennial Accord, providers of services for children and families, communities of color, and families themselves;

(ii) Establishing outcomes that the department of children, youth, and families and other partner state government agencies will be held accountable to in order to measure the performance of the reforms and the priorities created in this section;

(d) Coordinating, partnering, and building lines of communication with other state agencies including, but not limited to, the department of social and health services, the health care authority, the office of the superintendent of public instruction, the administrative office of the courts, and the department of commerce;

(e) Developing a stakeholder advisory mechanism for the department of children, youth, and families. The office of innovation, alignment, and accountability must review and consult with advisory bodies from the department of early learning, the children's administration of the department of social and health services, and the juvenile rehabilitation division of the department of social and health services in order to devise this mechanism. The office shall ensure that tribes, parents, families, kinship care providers, and foster parents are also included in the development of the stakeholder advisory mechanism. The office must review existing advisory committees and recommend continuation or consolidation. The office will further develop an external review protocol for the department to ensure effective implementation of the policies and practices established by the office. Both the stakeholder advisory mechanism and external review protocol must include ongoing consultation with tribes, families, and a cross-cultural representation of communities of color. The office must also make recommendations for external oversight on disparity and disproportionality in the department's outcomes, programs, and services;

(f) In coordination with the office of the chief information officer and the department of social and health services and in consultation with experts in the technology field, development of an information technology design and investment plan required to effectively integrate the department of early learning, the children's administration of the department of social and health services, and the juvenile rehabilitation division of the department of social and health services, and to meet other goals of this section. The plan must be provided to the governor and to the legislature for consideration in the 2018 supplemental omnibus appropriations act;

(g) Developing a consultation policy and protocol with the twenty-nine federally recognized tribes in the state of Washington and the federally recognized Indian tribes that are signatories to the Centennial Accord. This consultation policy and protocol shall include comprehensive dialogues. Tribal-state consultation should be a process of decision making that works cooperatively toward reaching a true consensus before a decision is made or action taken. The department shall honor the provisions of the Indian child welfare act, chapter 13.38 RCW. The office of innovation, alignment, and accountability must strive to honor and integrate the existing agreements between these twenty-nine federally recognized tribes and the department of early learning, the children's administration of the department of social and health services;

(h) Reviewing existing statutes affecting the department of early learning and the department of social and health services and identification of any conflicts or barriers that these statutes present in the execution of the plan in this subsection (2); and

(i) Preparing a report, in coordination with the department of early learning and the department of social and health services on how to incorporate the staff responsible for determining eligibility for the working connections child care program into the department of children, youth, and families. The report must outline a plan for transferring child care eligibility staff, the treatment of shared client data, information technology systems, phone systems, staff training, federal cost allocation, and service delivery from the department of social and health services to the department of children, youth, and families. This report must include recommendations for effectively integrating working connections child care eligibility into the department of children, youth, and families by July 1, 2019. (3) The reports and plans in this section must be delivered to the governor and the appropriate committees of the legislature by December 1, 2017.

(4) This section expires July 1, 2018.

<u>NEW SECTION.</u> Sec. 104. (1) Beginning July 1, 2018, the office of innovation, alignment, and accountability shall have a director, appointed by the secretary, who shall set the agenda and oversee the office, who reports to the secretary. The secretary shall ensure that the leadership and staff of the office do not have responsibility for service delivery but are wholly dedicated to directing and implementing the innovation, alignment, integration, collaboration, systemic reform work, and building external partnerships for which the office is responsible.

(2) The primary duties and focus of the office are on continuous improvement and includes the functions in this subsection:

(a) To review and recommend implementation of advancements in research;

(b) To work with other state government agencies and tribal governments to align and measure outcomes across state agencies and state-funded agencies serving children, youth, and families including, but not limited to, the use of evidence-based and research-based practices and contracting;

(c) To work with other state government agencies, tribal governments, partner agencies, and state-funded organizations on the use of data-driven, research-based interventions that effectively intervene in the lives of at-risk young people and align systems that serve children, youth, and their families;

(d) To develop approaches for integrated real-time data sharing, aligned outcomes, and collective accountability across state government agencies to the public;

(e) To conduct quality assurance and evaluation of programs and services within the department;

(f) To lead partnerships with the community, research and teaching institutions, philanthropic organizations, and nonprofit organizations;

(g) To lead collaboration with courts, tribal courts and tribal attorneys, attorneys, court-appointed special advocates, and guardians ad litem to align and integrate the work of the department with those involved in decision making in child welfare and juvenile justice cases;

(h) To produce, in collaboration with key stakeholders, an annual work plan that includes priorities for ongoing policy, practice, and system reform, tracking, and reporting out on the performance of department reforms;

(i) To appoint members of an external stakeholder committee who value racial and ethnic diversity and that includes representatives from a philanthropic organization, research entity representatives, representatives from the business community, one or more parent representatives, youth representatives, tribal representatives, representatives from communities of color, foster parent representatives, representatives from an organization that advocates for the best interest of the child, and community-based providers, who will advise the office on priorities for practice, policy, and system reform and on effective management policies, development of appropriate organizational culture, external partnerships, knowledge of best practices, and leveraging additional resources to carry out the duties of the department;

(j) To provide a report to the governor and the appropriate committees of the legislature by November 1, 2018, that includes recommendations regarding

whether the juvenile rehabilitation division of the department of social and health services should be integrated into the department of children, youth, and families, and if so, what the appropriate timing and process is for integration of the juvenile rehabilitation division into the department of children, youth, and families;

(k) To provide a report to the governor and the appropriate committees of the legislature by November 1, 2018, that includes:

(i) A review of the current process for addressing foster parent complaints and concerns through the department and through the office of the family and children's ombuds established in chapter 43.06A RCW that includes an examination of any deficiencies of the current system; and

(ii) Recommendations for expanding, modifying, and enhancing the current system for addressing individual foster parent complaints to improve child welfare, the experience of foster parents, and the overall functioning of the child welfare system; and

(1) To provide a report to the governor and the appropriate committees of the legislature by November 1, 2018, that includes recommendations regarding whether the office of homeless youth prevention and protection programs in the department of commerce should be integrated into the department, and the process for that integration if recommended.

<u>NEW SECTION.</u> Sec. 105. A new section is added to chapter 41.06 RCW to read as follows:

In addition to the exemptions under RCW 41.06.070, this chapter does not apply in the department of children, youth, and families to the secretary; the secretary's confidential secretary; deputy, assistant, and regional secretaries, one confidential secretary for each of the aforesaid officers; and any other exempt staff members provided for in chapter . . ., Laws of 2017 3rd sp. sess. (this act).

<u>NEW SECTION.</u> Sec. 106. (1) The secretary or the secretary's designee has the full authority to administer oaths and take testimony, to issue subpoenas requiring the attendance of witnesses before him or her together with all books, memoranda, papers, and other documents, articles, or instruments, and to compel the disclosure by those witnesses of all facts known to them relative to the matters under investigation.

(2) Subpoenas issued in adjudicative proceedings are governed by RCW 34.05.588(1).

(3) Subpoenas issued in the conduct of investigations required or authorized by other statutory provisions or necessary in the enforcement of other statutory provisions are governed by RCW 34.05.588(2).

(4) When a judicially approved subpoena is required by law, the secretary or the secretary's designee may apply for and obtain a superior court order approving and authorizing a subpoena in advance of its issuance. The application may be made in the county where the subpoenaed person resides or is found, or in the county where the subpoenaed documents, records, or evidence are located, or in Thurston county. The application must:

(a) State that an order is sought under this section;

(b) Adequately specify the documents, records, evidence, or testimony; and

(c) Include a declaration made under oath that an investigation is being conducted for a lawfully authorized purpose related to an investigation within

the department's authority and that the subpoenaed documents, records, evidence, or testimony are reasonably related to an investigation within the department's authority.

(5) When an application under subsection (4) of this section is made to the satisfaction of the court, the court must issue an order approving the subpoena. When a judicially approved subpoena is required by law, an order under this subsection constitutes authority of law for the agency to subpoena the documents, records, evidence, or testimony.

(6) The secretary or the secretary's designee may seek approval and a court may issue an order under this section without prior notice to any person, including the person to whom the subpoena is directed and the person who is the subject of an investigation. An application for court approval is subject to the fee and process set forth in RCW 36.18.012(3).

<u>NEW SECTION.</u> Sec. 107. The secretary shall administer family services and programs to promote the state's policy as provided in RCW 74.14A.025.

<u>NEW SECTION.</u> Sec. 108. The secretary shall make all of the department's evaluation and research materials and data on private nonprofit group homes available to group home contractors. The department may delete any information from the materials that identifies a specific client or contractor, other than the contractor requesting the materials.

Sec. 109. RCW 43.17.010 and 2011 1st sp.s. c 43 s 107 are each amended to read as follows:

There shall be departments of the state government which shall be known as (1) the department of social and health services, (2) the department of ecology, (3) the department of labor and industries, (4) the department of agriculture, (5) the department of fish and wildlife, (6) the department of transportation, (7) the department of licensing, (8) the department of enterprise services, (9) the department of revenue, (12) the department of retirement systems, (13) the department of corrections, (14) the department of achieves and historic preservation, (17) the department of ((early learning)) children, youth, and families, and (18) the Puget Sound partnership, which shall be charged with such powers and required to perform such duties, as the legislature may provide.

Sec. 110. RCW 43.17.020 and 2011 1st sp.s. c 43 s 108 are each amended to read as follows:

There shall be a chief executive officer of each department to be known as: (1) The secretary of social and health services, (2) the director of ecology, (3) the director of labor and industries, (4) the director of agriculture, (5) the director of fish and wildlife, (6) the secretary of transportation, (7) the director of licensing, (8) the director of enterprise services, (9) the director of commerce, (10) the director of veterans affairs, (11) the director of revenue, (12) the director of retirement systems, (13) the secretary of corrections, (14) the secretary of health, (15) the director of financial institutions, (16) the director of the department of archaeology and historic preservation, (17) the ((director of early learning)) secretary of children, youth, and families, and (18) the executive director of the Puget Sound partnership. Such officers, except the director of fish and wildlife, shall be appointed by the governor, with the consent of the senate, and hold office at the pleasure of the governor. The director of fish and wildlife shall be appointed by the fish and wildlife commission as prescribed by RCW 77.04.055.

**Sec. 111.** RCW 42.17A.705 and 2015 3rd sp.s. c 1 s 406 and 2015 3rd sp.s. c 1 s 317 are each reenacted and amended to read as follows:

For the purposes of RCW 42.17A.700, "executive state officer" includes:

(1) The chief administrative law judge, the director of agriculture, the director of the department of services for the blind, the secretary of children, youth, and families, the director of the state system of community and technical colleges, the director of commerce, the director of the consolidated technology services agency, the secretary of corrections, ((the director of early learning,)) the director of ecology, the commissioner of employment security, the chair of the energy facility site evaluation council, the director of enterprise services, the secretary of the state finance committee, the director of financial management, the director of fish and wildlife, the executive secretary of the forest practices appeals board, the director of the gambling commission, the secretary of health, the administrator of the Washington state health care authority, the executive secretary of the health care facilities authority, the executive secretary of the higher education facilities authority, the executive secretary of the horse racing commission, the executive secretary of the human rights commission, the executive secretary of the indeterminate sentence review board, the executive director of the state investment board, the director of labor and industries, the director of licensing, the director of the lottery commission, the director of the office of minority and women's business enterprises, the director of parks and recreation, the executive director of the public disclosure commission, the executive director of the Puget Sound partnership, the director of the recreation and conservation office, the director of retirement systems, the director of revenue, the secretary of social and health services, the chief of the Washington state patrol, the executive secretary of the board of tax appeals, the secretary of transportation, the secretary of the utilities and transportation commission, the director of veterans affairs, the president of each of the regional and state universities and the president of The Evergreen State College, and each district and each campus president of each state community college;

(2) Each professional staff member of the office of the governor;

(3) Each professional staff member of the legislature; and

(4) Central Washington University board of trustees, the boards of trustees of each community college and each technical college, each member of the state board for community and technical colleges, state convention and trade center board of directors, Eastern Washington University board of trustees, Washington economic development finance authority, Washington energy northwest executive board, The Evergreen State College board of trustees, executive ethics board, fish and wildlife commission, forest practices appeals board, forest practices board, gambling commission, Washington health care facilities authority, student achievement council, higher education facilities authority, horse racing commission, state housing finance commission, human rights commission, indeterminate sentence review board, board of industrial insurance appeals, state investment board, commission on judicial conduct, legislative ethics board, life sciences discovery fund authority board of trustees, <u>state</u> liquor ((control)) and cannabis board, lottery commission, Pacific Northwest electric power and conservation planning council, parks and recreation commission, Washington personnel resources board, board of pilotage commissioners, pollution control hearings board, public disclosure commission, public employees' benefits board, recreation and conservation funding board, salmon recovery funding board, shorelines hearings board, board of tax appeals, transportation commission, University of Washington board of regents, utilities and transportation commission, Washington State University board of regents, and Western Washington University board of trustees.

Sec. 112. RCW 43.06A.030 and 2013 c 23 s 73 are each amended to read as follows:

The ombuds shall perform the following duties:

(1) Provide information as appropriate on the rights and responsibilities of individuals receiving family and children's services, juvenile justice, juvenile rehabilitation, and child early learning, and on the procedures for providing these services;

(2) Investigate, upon his or her own initiative or upon receipt of a complaint, an administrative act alleged to be contrary to law, rule, or policy, imposed without an adequate statement of reason, or based on irrelevant, immaterial, or erroneous grounds; however, the ombuds may decline to investigate any complaint as provided by rules adopted under this chapter;

(3) Monitor the procedures as established, implemented, and practiced by the department <u>of children</u>, youth, and families to carry out its responsibilities in delivering family and children's services with a view toward appropriate preservation of families and ensuring children's health and safety;

(4) Review periodically the facilities and procedures of state institutions serving children, <u>youth, and families</u>, and state-licensed facilities or residences;

(5) Recommend changes in the procedures for addressing the needs of <u>children</u>, youth, and families ((and children));

(6) Submit annually to the ((committee)) oversight board for children, youth, and families created in section 101 of this act and to the governor by November 1st a report analyzing the work of the ((office)) department of children, youth, and families, including recommendations;

(7) Grant the committee access to all relevant records in the possession of the ombuds unless prohibited by law; and

(8) Adopt rules necessary to implement this chapter.

Sec. 113. RCW 43.215.100 and 2015 3rd sp.s. c 7 s 2 are each amended to read as follows:

(1) The department, in collaboration with tribal governments and community and statewide partners, shall implement a quality rating and improvement system, called the early achievers program. The early achievers program provides a foundation of quality for the early care and education system. The early achievers program is applicable to licensed or certified child care centers and homes and early learning programs such as working connections child care and early childhood education and assistance programs.

(2) The objectives of the early achievers program are to:

(a) Improve short-term and long-term educational outcomes for children as measured by assessments including, but not limited to, the Washington kindergarten inventory of developing skills in RCW 28A.655.080;

(b) Give parents clear and easily accessible information about the quality of child care and early education programs;

(c) Support improvement in early learning and child care programs throughout the state;

(d) Increase the readiness of children for school;

(e) Close the disparities in access to quality care;

(f) Provide professional development and coaching opportunities to early child care and education providers; and

(g) Establish a common set of expectations and standards that define, measure, and improve the quality of early learning and child care settings.

(3)(a) Licensed or certified child care centers and homes serving nonschoolage children and receiving state subsidy payments must participate in the early achievers program by the required deadlines established in RCW 43.215.135.

(b) Approved early childhood education and assistance program providers receiving state-funded support must participate in the early achievers program by the required deadlines established in RCW 43.215.415.

(c) Participation in the early achievers program is voluntary for:

(i) Licensed or certified child care centers and homes not receiving state subsidy payments; and

(ii) Early learning programs not receiving state funds.

(d) School-age child care providers are exempt from participating in the early achievers program. By July 1, 2017, the department and the office of the superintendent of public instruction shall jointly design a plan to incorporate school-age child care providers into the early achievers program or other appropriate quality improvement system. To test implementation of the early achievers system for school-age child care providers the department and the office of the superintendent of public instruction shall implement a pilot program.

(4) There are five levels in the early achievers program. Participants are expected to actively engage and continually advance within the program.

(5) The department has the authority to determine the rating cycle for the early achievers program. The department shall streamline and eliminate duplication between early achievers standards and state child care rules in order to reduce costs associated with the early achievers rating cycle and child care licensing.

(a) Early achievers program participants may request to be rated at any time after the completion of all level 2 activities.

(b) The department shall provide an early achievers program participant an update on the participant's progress toward completing level 2 activities after the participant has been enrolled in the early achievers program for fifteen months.

(c) The first rating is free for early achievers program participants.

(d) Each subsequent rating within the established rating cycle is free for early achievers program participants.

(6)(a) Early achievers program participants may request to be rerated outside the established rating cycle.

(b) The department may charge a fee for optional rerating requests made by program participants that are outside the established rating cycle.

(c) Fees charged are based on, but may not exceed, the cost to the department for activities associated with the early achievers program.

(7)(a) The department must create a single source of information for parents and caregivers to access details on a provider's early achievers program rating level, licensing history, and other indicators of quality and safety that will help parents and caregivers make informed choices. The licensing history that the department must provide for parents and caregivers pursuant to this subsection shall only include license suspension, surrender, revocation, denial, stayed suspension, or reinstatement. No unfounded child abuse or neglect reports may be provided to parents and caregivers pursuant to this subsection.

(b) The department shall publish to the department's web site, or offer a link on its web site to, the following information:

(i) By November 1, 2015, early achievers program rating levels 1 through 5 for all child care programs that receive state subsidy, early childhood education and assistance programs, and federal head start programs in Washington; and

(ii) New early achievers program ratings within thirty days after a program becomes licensed or certified, or receives a rating.

(c) The early achievers program rating levels shall be published in a manner that is easily accessible to parents and caregivers and takes into account the linguistic needs of parents and caregivers.

(d) The department must publish early achievers program rating levels for child care programs that do not receive state subsidy but have voluntarily joined the early achievers program.

(e) Early achievers program participants who have published rating levels on the department's web site or on a link on the department's web site may include a brief description of their program, contingent upon the review and approval by the department, as determined by established marketing standards.

(8)(a) The department shall create a professional development pathway for early achievers program participants to obtain a high school diploma or equivalency or higher education credential in early childhood education, early childhood studies, child development, or an academic field related to early care and education.

(b) The professional development pathway must include opportunities for scholarships and grants to assist early achievers program participants with the costs associated with obtaining an educational degree.

(c) The department shall address cultural and linguistic diversity when developing the professional development pathway.

(9) The early achievers quality improvement awards shall be reserved for participants offering programs to an enrollment population consisting of at least five percent of children receiving a state subsidy.

(10) In collaboration with tribal governments, community and statewide partners, and the early achievers review subcommittee created in RCW 43.215.090 (as recodified by this act), the department shall develop a protocol for granting early achievers program participants an extension in meeting rating level requirement timelines outlined for the working connections child care program and the early childhood education and assistance program.

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(a) The department may grant extensions only under exceptional circumstances, such as when early achievers program participants experience an unexpected life circumstance.

(b) Extensions shall not exceed six months, and early achievers program participants are only eligible for one extension in meeting rating level requirement timelines.

(c) Extensions may only be granted to early achievers program participants who have demonstrated engagement in the early achievers program.

(11)(a) The department shall accept national accreditation that meets the requirements of this subsection (11) as a qualification for the early achievers program ratings.

(b) Each national accreditation agency will be allowed to submit its most current standards of accreditation to establish potential credit earned in the early achievers program. The department shall grant credit to accreditation bodies that can demonstrate that their standards meet or exceed the current early achievers program standards.

(c) Licensed child care centers and child care home providers must meet national accreditation standards approved by the department for the early achievers program in order to be granted credit for the early achievers program standards. Eligibility for the early achievers program is not subject to bargaining, mediation, or interest arbitration under RCW 41.56.028, consistent with the legislative reservation of rights under RCW 41.56.028(4)(d).

(12) The department shall explore the use of alternative quality assessment tools that meet the culturally specific needs of the federally recognized tribes in the state of Washington.

(13) A child care or early learning program that is operated by a federally recognized tribe and receives state funds shall participate in the early achievers program. The tribe may choose to participate through an interlocal agreement between the tribe and the department. The interlocal agreement must reflect the government-to-government relationship between the state and the tribe, including recognition of tribal sovereignty. The interlocal agreement must provide that:

(a) Tribal child care facilities and early learning programs may volunteer, but are not required, to be licensed by the department;

(b) Tribal child care facilities and early learning programs are not required to have their early achievers program rating level published to the department's web site or through a link on the department's web site; and

(c) Tribal child care facilities and early learning programs must provide notification to parents or guardians who apply for or have been admitted into their program that early achievers program rating level information is available and provide the parents or guardians with the program's early achievers program rating level upon request.

(14) The department shall consult with the early achievers review subcommittee on all substantial policy changes to the early achievers program.

(15) Nothing in this section changes the department's responsibility to collectively bargain over mandatory subjects or limits the legislature's authority to make programmatic modifications to licensed child care and early learning programs under RCW 41.56.028(4)(d).

<u>NEW SECTION.</u> Sec. 114. (1) The department shall develop an internal review process to determine whether department licensors have appropriately and consistently applied agency rules in child care facility licensing compliance agreements that do not involve a violation of health and safety standards. Adverse licensing decisions including license denial, suspension, revocation, modification, or nonrenewal pursuant to RCW 43.215.300 (as recodified by this act) or imposition of civil fines pursuant to RCW 43.215.307 (as recodified by this act) are not subject to the internal review process in this section, but may be appealed using the administrative procedure act, chapter 34.05 RCW.

(2) The definitions in this subsection apply throughout this section.

(a) "Child care facility licensing compliance agreement" means an agreement issued by the department in lieu of the department taking enforcement action against a child care provider that contains: (i) A description of the violation and the rule or law that was violated; (ii) a statement from the licensee regarding the proposed plan to comply with the rule or law; (iii) the date the violation must be corrected; (iv) information regarding other licensing action that may be imposed if compliance does not occur by the required date; and (v) the signature of the licensor and licensee.

(b) "Health and safety standards" means rules or requirements developed by the department to protect the health and safety of children against substantial risk of bodily injury, illness, or death.

(3) The internal review process shall be conducted by the following six individuals:

(a) Three department employees who may include child care licensors; and

(b) Three child care providers selected by the department from names submitted by the oversight board for children, youth, and families established in section 101 of this act.

(4) The internal review process established in this section may overturn, change, or uphold a department licensing decision by majority vote. In the event that the six individuals conducting the internal review process are equally divided, the secretary shall make the decision of the internal review process. The internal review process must provide the parties with a written decision of the outcome after completion of the internal review process. A licensee must request a review under the internal review process within ten days of the development of a child care facility licensing compliance agreement and the internal review process must be completed within thirty days after the request from the licensee to initiate the internal review process is received.

(5) A licensee may request a final review by the oversight board for children, youth, and families after completing the internal review process established in this section by giving notice to the department and the oversight board for children, youth, and families within ten days of receiving the written decision produced by the internal review process.

(6) The department shall not develop a child care facility licensing compliance agreement with a child care provider for first-time violations of rules that do not relate to health and safety standards and that can be corrected on the same day that the violation is identified. The department shall develop a procedure for providing a warning and offering technical assistance to providers in response to these first-time violations. Sec. 115. RCW 44.04.220 and 2013 c 23 s 100 are each amended to read as follows:

(1) There is created the legislative children's oversight committee for the purpose of monitoring and ensuring compliance with administrative acts, relevant statutes, rules, and policies pertaining to family and children services and the placement, supervision, and treatment of children in the state's care or in state-licensed facilities or residences. The committee shall consist of three senators and three representatives from the legislature. The senate members of the committee shall be appointed by the president of the senate. The house members of the committee shall be appointed by the speaker of the house. Not more than two members from each chamber shall be from the same political party. Members shall be appointed before the close of each regular session of the legislature during an odd-numbered year.

(2) The committee shall have the following powers:

(a) Selection of its officers and adopt rules for orderly procedure;

(b) Request investigations by the ombuds of administrative acts;

(c) Receive reports of the ombuds;

(d)(i) Obtain access to all relevant records in the possession of the ombuds, except as prohibited by law; and (ii) make recommendations to all branches of government;

(e) Request legislation;

(f) Conduct hearings into such matters as it deems necessary.

(3) Upon receipt of records from the ombuds, the committee is subject to the same confidentiality restrictions as the ombuds under RCW 43.06A.050.

(4) From July 1, 2018, through June 30, 2019, the oversight board for children, youth, and families established in section 101 of this act shall assume the duties of the legislative children's oversight committee.

(5) This section expires July 1, 2019.

## PART II

## POWERS AND DUTIES TRANSFERRED FROM THE DEPARTMENT OF EARLY LEARNING

**Sec. 201.** RCW 43.215.010 and 2016 c 231 s 1 and 2016 c 169 s 3 are each reenacted and amended to read as follows:

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

(1) "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" means an agency that regularly provides early childhood education and early learning services for a group of children for periods of less than twenty-four 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" means a child care provider who regularly provides early childhood education and early learning services for not more than twelve children in the provider's home in the family living quarters;

(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 five million dollars 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 twenty-four 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 twenty-four 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;

(1) 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) "Conviction information" means criminal history record information relating to an incident which has led to a conviction or other disposition adverse to the applicant.

(5) "Department" means the department of ((early learning)) children, youth, and families.

(6) (("Director" means the director)) "Secretary" means the secretary of the department.

(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 43.215.100 (as recodified by this act);

(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 one hundred ten 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) "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) "Enforcement action" means denial, suspension, revocation, modification, or nonrenewal of a license pursuant to RCW 43.215.300(1) (as recodified by this act) or assessment of civil monetary penalties pursuant to RCW 43.215.300(3) (as recodified by this act).

(14) "Extended day program" means an early childhood education and assistance program that offers early learning education for at least ten hours per

day, a minimum of two thousand hours per year, at least four days per week, and operates year round.

(15) "Full day program" means an early childhood education and assistance program that offers early learning education for a minimum of one thousand hours per year.

(16) "Low-income child care provider" means a person who administers a child care program that consists of at least eighty percent of children receiving working connections child care subsidy.

(17) "Low-income neighborhood" means a district or community where more than twenty percent of households are below the federal poverty level.

(18) "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.

(19) "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.

(20) "Nonschool age child" means a child who is age six years or younger and who is not enrolled in a public or private school.

(21) "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 three hundred twenty hours per year, for a minimum of thirty weeks per year.

(22) "Private school" means a private school approved by the state under chapter 28A.195 RCW.

(23) "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.

(24) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(25) "School age child" means a child who is five years of age through twelve years of age and is attending a public or private school or is receiving home-based instruction under chapter 28A.200 RCW.

(26) "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. 202.** RCW 43.215.020 and 2016 c 57 s 5 are each amended to read as follows:

(1) The department ((of early learning is created as an executive branch agency. The department is vested with all powers and duties transferred to it under this chapter and such other powers and duties as may be authorized by law.

(2) The primary duties of the department are to)) <u>shall</u> implement state early learning policy and ((to)) coordinate, consolidate, and integrate child care and early learning programs in order to administer programs and funding as efficiently as possible. The department's duties include, but are not limited to, the following:

(a) To support both public and private sectors toward a comprehensive and collaborative system of early learning that serves parents, children, and providers and to encourage best practices in child care and early learning programs;

(b) To make early learning resources available to parents and caregivers;

(c) To carry out activities, including providing clear and easily accessible information about quality and improving the quality of early learning opportunities for young children, in cooperation with the nongovernmental private-public partnership;

(d) To administer child care and early learning programs;

(e) <u>To safeguard and promote the health, safety, and well-being of children</u> receiving child care and early learning assistance, which is paramount over the right of any person to provide such care;

(f) To apply data already collected comparing the following factors and make biennial recommendations to the legislature regarding working connections subsidy and state-funded preschool rates and compensation models that would attract and retain high quality early learning professionals:

(i) State-funded early learning subsidy rates and market rates of licensed early learning homes and centers;

(ii) Compensation of early learning educators in licensed centers and homes and early learning teachers at state higher education institutions;

(iii) State-funded preschool program compensation rates and Washington state head start program compensation rates; and

(iv) State-funded preschool program compensation to compensation in similar comprehensive programs in other states;

(((f))) (g) To serve as the state lead agency for Part C of the federal individuals with disabilities education act (IDEA) and to develop and adopt rules that establish minimum requirements for the services offered through Part C programs, including allowable allocations and expenditures for transition into Part B of the federal individuals with disabilities education act (IDEA);

 $((\frac{g}))$  (h) To standardize internal financial audits, oversight visits, performance benchmarks, and licensing criteria, so that programs can function in an integrated fashion;

(((h))) (i) To support the implementation of the nongovernmental privatepublic partnership and cooperate with that partnership in pursuing its goals including providing data and support necessary for the successful work of the partnership;

(((i))) (j) To work cooperatively and in coordination with the early learning council;

 $((\frac{1}{2})))$  (k) To collaborate with the K-12 school system at the state and local levels to ensure appropriate connections and smooth transitions between early learning and K-12 programs;

(((k))) (1) To develop and adopt rules for administration of the program of early learning established in RCW 43.215.455 (as recodified by this act);

((((+))) (m) To develop a comprehensive birth-to-three plan to provide education and support through a continuum of options including, but not limited to, services such as: Home visiting; quality incentives for infant and toddler child care subsidies; quality improvements for family home and center-based child care programs serving infants and toddlers; professional development; early literacy programs; and informal supports for family, friend, and neighbor caregivers; and

(((<del>m)</del>)) (<u>n</u>) Upon the development of an early learning information system, to make available to parents timely inspection and licensing action information and provider comments through the internet and other means.

(((3))) (2) When additional funds are appropriated for the specific purpose of home visiting and parent and caregiver support, the department must reserve at least eighty percent for home visiting services to be deposited into the home visiting services account and up to twenty percent of the new funds for other parent or caregiver support.

(((4))) (3) Home visiting services must include programs that serve families involved in the child welfare system.

(((5) Subject to the availability of amounts appropriated for this specific purpose, the legislature shall fund the expansion in the Washington state preschool program pursuant to RCW 43.215.456 in fiscal year 2014.

(6))) (4) The department's programs shall be designed in a way that respects and preserves the ability of parents and legal guardians to direct the education, development, and upbringing of their children, and that recognizes and honors cultural and linguistic diversity. The department shall include parents and legal guardians in the development of policies and program decisions affecting their children.

Sec. 203. RCW 43.215.065 and 2007 c 384 s 4 are each amended to read as follows:

(1)(a) The ((director of the department of early learning)) secretary shall review current department policies and assess the adequacy and availability of programs targeted at persons who receive assistance who are the children and families of a person who is incarcerated in a department of corrections facility. Great attention shall be focused on programs and policies affecting foster youth who have a parent who is incarcerated.

(b) The ((director)) secretary shall adopt policies that support the children of incarcerated parents and meet their needs with the goal of facilitating normal child development, while reducing intergenerational incarceration.

(2) The ((director)) secretary shall conduct the following activities to assist in implementing the requirements of subsection (1) of this section:

(a) Gather information and data on the recipients of assistance who are the children and families of inmates incarcerated in department of corrections facilities; and

(b) Participate in the children of incarcerated parents advisory committee and report information obtained under this section to the advisory committee. Sec. 204. RCW 43.215.070 and 2006 c 265 s 108 are each amended to read as follows:

(1) In addition to other duties under this chapter, the ((director)) secretary shall actively participate in a nongovernmental private-public partnership focused on supporting government's investments in early learning and ensuring that every child in the state is prepared to succeed in school and in life. Except for licensing as required by Washington state law and to the extent permitted by federal law, the ((director of the department of early learning)) secretary shall grant waivers from the rules of state agencies for the operation of early learning programs requested by the nongovernmental private-public partnership to allow for flexibility to pursue market-based approaches to achieving the best outcomes for children and families.

(2) In addition to other powers granted to the  $((\frac{\text{director}}))$  secretary, the  $((\frac{\text{director}}))$  secretary may:

(a) Enter into contracts on behalf of the department to carry out the purposes of this chapter;

(b) Accept gifts, grants, or other funds for the purposes of this chapter; and

(c) Adopt, in accordance with chapter 34.05 RCW, rules necessary to implement this chapter, including rules governing child day care and early learning programs under this chapter. This section does not expand the rule-making authority of the director beyond that necessary to implement and administer programs and services existing July 1, 2006, as transferred to the department of early learning under section 501, chapter 265, Laws of 2006. The rule-making authority does not include any authority to set mandatory curriculum or establish what must be taught in child day care centers or by family day care providers.

Sec. 205. RCW 43.215.200 and 2015 3rd sp.s. c 7 s 4 are each amended to read as follows:

It shall be the ((director's)) secretary's duty with regard to licensing under this chapter:

(1) In consultation and with the advice and assistance of persons representative of the various type agencies to be licensed, to designate categories of child care facilities for which separate or different requirements shall be developed as may be appropriate whether because of variations in the ages and other characteristics of the children served, variations in the purposes and services offered or size or structure of the agencies to be licensed, or because of any other factor relevant thereto;

(2)(a) In consultation with the state fire marshal's office, the ((director)) secretary shall use an interagency process to address health and safety requirements for child care programs that serve school-age children and are operated in buildings that contain public or private schools that safely serve children during times in which school is in session;

(b) Any requirements in (a) of this subsection as they relate to the physical facility, including outdoor playgrounds, do not apply to before-school and afterschool programs that serve only school-age children and operate in the same facilities used by public or private schools;

(3) In consultation and with the advice and assistance of parents or guardians, and persons representative of the various type agencies to be licensed,

to adopt and publish minimum requirements for licensing applicable to each of the various categories of agencies to be licensed under this chapter;

(4) In consultation with law enforcement personnel, the ((director)) <u>secretary</u> shall investigate the conviction record or pending charges of each agency and its staff seeking licensure or relicensure, and other persons having unsupervised access to children in care;

(5) To satisfy the shared background check requirements provided for in RCW 43.215.215 (as recodified by this act) and 43.20A.710, the department of ((early learning)) 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;

(6) To issue, revoke, or deny licenses to agencies pursuant to this chapter. Licenses shall specify the category of care that an agency is authorized to render and the ages and number of children to be served;

(7) To prescribe the procedures and the form and contents of reports necessary for the administration of this chapter and to require regular reports from each licensee;

(8) To inspect agencies periodically to determine whether or not there is compliance with this chapter and the requirements adopted under this chapter;

(9) To review requirements adopted under this chapter at least every two years and to adopt appropriate changes after consultation with affected groups for child day care requirements; and

(10) To consult with public and private agencies in order to help them improve their methods and facilities for the care and early learning of children.

**Sec. 206.** RCW 43.215.215 and 2011 c 295 s 2 and 2011 c 253 s 4 are each reenacted and amended to read as follows:

(1) In determining whether an individual is of appropriate character, suitability, and competence to provide child care and early learning services to children, the department may consider the history of past involvement of child protective services or law enforcement agencies with the individual for the purpose of establishing a pattern of conduct, behavior, or inaction with regard to the health, safety, or welfare of a child. No report of child abuse or neglect that has been destroyed or expunged under RCW 26.44.031 may be used for such purposes. No unfounded or inconclusive allegation of child abuse or neglect as defined in RCW 26.44.020 may be disclosed to a provider licensed under this chapter.

(2) In order to determine the suitability of individuals newly applying for an agency license, new licensees, their new employees, and other persons who newly have unsupervised access to children in care, shall be fingerprinted.

(a) The fingerprints shall be forwarded to the Washington state patrol and federal bureau of investigation for a criminal history record check.

(b)(i) ((Effective July 1, 2012,)) <u>All</u> individuals applying for first-time agency licenses, all new employees, and other persons who have not been previously qualified by the department to have unsupervised access to children

in care must be fingerprinted and obtain a criminal history record check pursuant to this section.

(ii) Persons required to be fingerprinted and obtain a criminal (([history])) history record check pursuant to this section must pay for the cost of this check as follows: The fee established by the Washington state patrol for the criminal background history check, including the cost of obtaining the fingerprints; and a fee paid to the department for the cost of administering the individual-based/portable background check clearance registry. The fee paid to the department must be deposited into the individual-based/portable background check clearance account established in RCW 43.215.218 (as recodified by this act). The licensee may, but need not, pay these costs on behalf of a prospective employee or reimburse the prospective employee for these costs. The licensee and the prospective employee may share these costs.

(c) The ((director)) <u>secretary</u> shall use the fingerprint criminal history record check information solely for the purpose of determining eligibility for a license and for determining the character, suitability, and competence of those persons or agencies, excluding parents, not required to be licensed who are authorized to care for children.

(d) Criminal justice agencies shall provide the  $((\frac{\text{director}}))$  secretary such information as they may have and that the  $((\frac{\text{director}}))$  secretary may require for such purpose.

(e) No later than July 1, 2013, all agency licensees holding licenses prior to July 1, 2012, persons who were employees before July 1, 2012, and persons who have been qualified by the department before July 1, 2012, to have unsupervised access to children in care, must submit a new background application to the department. The department must require persons submitting a new background application pursuant to this subsection (2)(e) to pay a fee to the department for the cost of administering the individual-based/portable background check clearance registry. This fee must be paid into the individual-based/portable background check clearance account established in RCW 43.215.218 (as recodified by this act). The licensee may, but need not, pay these costs on behalf of a prospective employee or reimburse the prospective employee for these costs. The licensee and the prospective employee may share these costs.

(f) The department shall issue a background check clearance card or certificate to the applicant if after the completion of a background check the department concludes the applicant is qualified for unsupervised access to children in <u>child</u> care. The background check clearance card or certificate is valid for three years from the date of issuance. A valid card or certificate must be accepted by a potential employer as proof that the applicant has successfully completed a background check as required under this chapter.

(g) The original applicant for an agency license, licensees, their employees, and other persons who have unsupervised access to children in care shall submit a new background check application to the department, on a form and by a date as determined by the department.

(h) The applicant and agency shall maintain on-site for inspection a copy of the background check clearance card or certificate.

(i) Individuals who have been issued a background check clearance card or certificate shall report nonconviction and conviction information to the

department within twenty-four hours of the event constituting the nonconviction or conviction information.

(j) The department shall investigate and conduct a redetermination of an applicant's or licensee's background clearance if the department receives a complaint or information from individuals, a law enforcement agency, or other federal, state, or local government agency. Subject to the requirements contained in RCW 43.215.300 and 43.215.305 (as recodified by this act) and based on a determination that an individual lacks the appropriate character, suitability, or competence to provide child care or early learning services to children, the department may: (i) Invalidate the background card or certificate; or (ii) suspend, modify, or revoke any license authorized by this chapter.

(3) To satisfy the shared background check requirements of the department of ((early learning)) children, youth, and families and the department of social and health services, each department 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.

Sec. 207. RCW 43.215.216 and 2011 c 295 s 1 are each amended to read as follows:

Subject to appropriation, the department ((of early learning)) shall ((establish and)) maintain an individual-based or portable background check clearance registry ((by July 1, 2012)). Any individual seeking a child care license or employment in any child care facility licensed or regulated under current law shall submit a background application on a form prescribed by the department in rule.

Sec. 208. RCW 43.215.217 and 2011 c 295 s 4 are each amended to read as follows:

((Effective July 1, 2011,)) <u>All</u> agency licensees shall pay the department a one-time fee established by the department. When establishing the fee, the department must consider the cost of developing and administering the registry, and shall not set a fee which is estimated to generate revenue beyond estimated costs for the development and administration of the registry. Fee revenues must be deposited in the individual-based/portable background check clearance account created in RCW 43.215.218 (as recodified by this act) and may be expended only for the costs of developing and administering the individual-based/portable background check clearance registry created in RCW 43.215.216 (as recodified by this act).

Sec. 209. RCW 43.215.218 and 2011 c 295 s 5 are each amended to read as follows:

The individual-based/portable background check clearance account is created in the custody of the state treasurer. All fees collected pursuant to RCW 43.215.215 and 43.215.217 (as recodified by this act) must be deposited in the account. Expenditures from the account may be made only for development and administration, and implementation of the individual-based/portable background check registry established in RCW 43.215.216 (as recodified by this act). Only the ((director of the department of early learning)) secretary or the ((director's))

<u>secretary's</u> designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

**Sec. 210.** RCW 43.215.405 and 2014 c 160 s 4 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 43.215.400 through 43.215.457 and 43.215.900 through 43.215.903 (as recodified by this act).

(1) "Advisory committee" means the advisory committee under RCW 43.215.420 (as recodified by this act).

(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 43.215.400 through 43.215.450 and 43.215.900 through 43.215.903 (as recodified by this act) and are designated as eligible for funding by the department under RCW 43.215.430 and 43.215.440 (as recodified by this act).

(3) "Comprehensive" means an assistance program that focuses on the needs of the child and includes education, health, and family support services.

(4) (("Department" means the department of early learning.

(5))) "Eligible child" means a child not eligible for kindergarten whose family income is at or below one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services, and includes a child whose family is eligible for public assistance, and who is not a participant in a federal or state program providing comprehensive services; a child eligible for special education due to disability under RCW 28A.155.020; and may include children who are eligible 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. Priority for enrollment shall be given to children from families with the lowest income, children in foster care, or to eligible children from families with multiple needs.

(((6))) (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.

**Sec. 211.** RCW 43.215.420 and 2006 c 263 s 413 are each amended to read as follows:

The department shall establish an advisory committee composed of interested parents and representatives from the office of the superintendent of public instruction, ((the division of children and family services within the department of social and health services,)) early childhood education and development staff preparation programs, the head start programs, school districts, and such other community and business organizations as deemed necessary by the department to assist with the establishment of the preschool program and advise the department on matters regarding the ongoing promotion and operation of the program.

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**Sec. 212.** RCW 43.215.495 and 2006 c 265 s 202 are each amended to read as follows:

It shall be the policy of the state of Washington to:

(1) Recognize the family as the most important social and economic unit of society and support the central role parents play in child rearing. All parents are encouraged to care for and nurture their children through the traditional methods of parental care at home. The availability of quality, affordable child care is a concern for working parents, the costs of care are often beyond the resources of working parents, and child care facilities are not located conveniently to workplaces and neighborhoods. Parents are encouraged to participate fully in the effort to improve the quality of child care services.

(2) Promote a variety of culturally and developmentally appropriate child care settings and services of the highest possible quality in accordance with the basic principle of continuity of care. These settings shall include, but not be limited to, family day care homes, mini-centers, centers and schools.

(3) Promote the growth, development and safety of children by working with community groups including providers and parents to establish standards for quality service, training of child care providers, fair and equitable monitoring, and salary levels commensurate with provider responsibilities and support services.

(4) Promote equal access to quality, affordable, socio-economically integrated child care for all children and families.

(5) Facilitate broad community and private sector involvement in the provision of quality child care services to foster economic development and assist industry through the department ((of early learning)).

Sec. 213. RCW 43.215.545 and 2013 c 323 s 8 are each amended to read as follows:

The department ((of early learning)) 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 incomes at or below household incomes of two hundred percent of the federal poverty line;

(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 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, ((beginning September 1, 2013,)) 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. 214. RCW 43.215.550 and 2006 c 265 s 203 are each amended to read as follows:

An employer liaison position is established in the department ((<del>of early learning</del>)) to be colocated with the department of ((<del>community, trade, and economic development</del>)) <u>commerce</u>. The employer liaison shall, within appropriated funds:

(1) Staff and assist the child care partnership in the implementation of its duties;

(2) Provide technical assistance to employers regarding child care services, working with and through local resource and referral organizations whenever possible. Such technical assistance shall include at a minimum:

(a) Assessing the child care needs of employees and prospective employees;

(b) Reviewing options available to employers interested in increasing access to child care for their employees;

(c) Developing techniques to permit small businesses to increase access to child care for their employees;

(d) Reviewing methods of evaluating the impact of child care activities on employers; and

(e) Preparing, collecting, and distributing current information for employers on options for increasing involvement in child care; and

(3) Provide assistance to local child care resource and referral organizations to increase their capacity to provide quality technical assistance to employers in their community.

Sec. 215. RCW 28A.150.315 and 2012 c 51 s 1 are each amended to read as follows:

(1) Beginning with the 2007-08 school year, funding for voluntary all-day kindergarten programs shall be phased-in beginning with schools with the highest poverty levels, defined as those schools with the highest percentages of students qualifying for free and reduced-price lunch support in the prior school year. During the 2011-2013 biennium, funding shall continue to be phased-in each year until full statewide implementation of all-day kindergarten is achieved in the 2017-18 school year. Once a school receives funding for the all-day kindergarten program, that school shall remain eligible for funding in subsequent school years regardless of changes in the school's percentage of students eligible for free and reduced-price lunches as long as other program requirements are fulfilled. Additionally, schools receiving all-day kindergarten program support shall agree to the following conditions:

(a) Provide at least a one thousand-hour instructional program;

(b) Provide a curriculum that offers a rich, varied set of experiences that assist students in:

(i) Developing initial skills in the academic areas of reading, mathematics, and writing;

(ii) Developing a variety of communication skills;

(iii) Providing experiences in science, social studies, arts, health and physical education, and a world language other than English;

(iv) Acquiring large and small motor skills;

(v) Acquiring social and emotional skills including successful participation in learning activities as an individual and as part of a group; and

(vi) Learning through hands-on experiences;

(c) Establish learning environments that are developmentally appropriate and promote creativity;

(d) Demonstrate strong connections and communication with early learning community providers; and

(e) Participate in kindergarten program readiness activities with early learning providers and parents.

(2)(a) It is the intent of the legislature that administration of the Washington kindergarten inventory of developing skills as required in this subsection (2) and RCW 28A.655.080 replace administration of other assessments being required by school districts or that other assessments only be administered if they seek to obtain information not covered by the Washington kindergarten inventory of developing skills.

(b) In addition to the requirements in subsection (1) of this section and to the extent funds are available, beginning with the 2011-12 school year on a voluntary basis, schools must identify the skills, knowledge, and characteristics of kindergarten students at the beginning of the school year in order to support social-emotional, physical, and cognitive growth and development of individual children; support early learning provider and parent involvement; and inform instruction. Kindergarten teachers shall administer the Washington kindergarten inventory of developing skills, as directed by the superintendent of public instruction in consultation with the department of ((early learning)) children, youth, and families and in collaboration with the nongovernmental private-public partnership designated in RCW 43.215.070 (as recodified by this act), and report the results to the superintendent. The superintendent shall share the results with the ((director)) secretary of the department of ((early learning)) children, youth, and families.

(c) School districts shall provide an opportunity for parents and guardians to excuse their children from participation in the Washington kindergarten inventory of developing skills.

(3) Subject to funds appropriated for this purpose, the superintendent of public instruction shall designate one or more school districts to serve as resources and examples of best practices in designing and operating a high-quality all-day kindergarten program. Designated school districts shall serve as lighthouse programs and provide technical assistance to other school districts in the initial stages of implementing an all-day kindergarten program. Examples of topics addressed by the technical assistance include strategic planning, developing the instructional program and curriculum, working with early learning providers to identify students and communicate with parents, and developing kindergarten program readiness activities.

Sec. 216. RCW 28A.155.065 and 2016 c 57 s 3 are each amended to read as follows:

(1) Each school district shall provide or contract for early intervention services to all eligible children with disabilities from birth to three years of age. Eligibility shall be determined according to Part C of the federal individuals with disabilities education act or other applicable federal and state laws, and as specified in the Washington Administrative Code adopted by the state lead agency, which is the department of ((early learning)) children, youth, and families. School districts shall provide or contract, or both, for early intervention services in partnership with local birth-to-three lead agencies and birth-to-three providers. Services provided under this section shall not supplant services or funding currently provided in the state for early intervention services to eligible children with disabilities from birth to three years of age. The state-designated birth-to-three lead agency shall be payor of last resort for birth-to-three early intervention services provided under this section.

(2)(a) By October 1, 2016, the office of the superintendent of public instruction shall provide the department of early learning, in its role as state lead agency, with a full accounting of the school district expenditures from the 2013-14 and 2014-15 school years, disaggregated by district, for birth-to-three early intervention services provided under this section.

(b) The reported expenditures must include, but are not limited to per student allocations, per student expenditures, the number of children served,

detailed information on services provided by school districts and contracted for by school districts, coordination and transition services, and administrative costs.

(3) The services in this section are not part of the state's program of basic education pursuant to Article IX of the state Constitution.

Sec. 217. RCW 28A.210.070 and 2006 c 263 s 908 are each amended to read as follows:

As used in RCW 28A.210.060 through 28A.210.170:

(1) "Chief administrator" shall mean the person with the authority and responsibility for the immediate supervision of the operation of a school or day care center as defined in this section or, in the alternative, such other person as may hereafter be designated in writing for the purposes of RCW 28A.210.060 through 28A.210.170 by the statutory or corporate board of directors of the school district, school, or day care center or, if none, such other persons or person with the authority and responsibility for the general supervision of the operation of the school district, school or day care center.

(2) "Full immunization" shall mean immunization against certain vaccinepreventable diseases in accordance with schedules and with immunizing agents approved by the state board of health.

(3) "Local health department" shall mean the city, town, county, district or combined city-county health department, board of health, or health officer which provides public health services.

(4) "School" shall mean and include each building, facility, and location at or within which any or all portions of a preschool, kindergarten and grades one through twelve program of education and related activities are conducted for two or more children by or in behalf of any public school district and by or in behalf of any private school or private institution subject to approval by the state board of education pursuant to RCW 28A.305.130, 28A.195.010 through 28A.195.050, and 28A.410.120.

(5) "Day care center" shall mean an agency which regularly provides care for a group of thirteen or more children for periods of less than twenty-four hours and is licensed pursuant to chapter ((74.15)) <u>43.215</u> RCW (as recodified by this act).

(6) "Child" shall mean any person, regardless of age, in attendance at a public or private school or a licensed day care center.

Sec. 218. RCW 28A.215.020 and 2006 c 263 s 411 are each amended to read as follows:

Expenditures under federal funds and/or state appropriations made to carry out the purposes of RCW 28A.215.010 through 28A.215.050 shall be made by warrants issued by the state treasurer upon order of the superintendent of public instruction. The superintendent of public instruction shall make necessary rules to carry out the purpose of RCW 28A.215.010. ((After being notified by the office of the governor that there is an agency or department responsible for early learning,)) The superintendent shall consult with ((that agency)) the department of children, youth, and families when establishing relevant rules.

Sec. 219. RCW 28A.320.191 and 2010 c 231 s 5 are each amended to read as follows:

For the program of early learning established in RCW ((43.215.141)) 43.215.455 (as recodified by this act), school districts:

(1) Shall work cooperatively with program providers to coordinate the transition from preschool to kindergarten so that children and their families are well-prepared and supported; and

(2) May contract with the department of ((early learning)) children, youth, and families to deliver services under the program.

Sec. 220. RCW 28A.400.303 and 2014 c 50 s 1 are each amended to read as follows:

(1) School districts, educational service districts, the Washington state center for childhood deafness and hearing loss, the state school for the blind, and their contractors hiring employees who will have regularly scheduled unsupervised access to children shall require a record check through the Washington state patrol criminal identification system under RCW 43.43.830 through 43.43.834, 10.97.030, and 10.97.050 and through the federal bureau of investigation before hiring an employee. The record check shall include a fingerprint check using a complete Washington state criminal identification fingerprint card. The requesting entity shall provide a copy of the record report to the applicant. When necessary, applicants may be employed on a conditional basis pending completion of the investigation. If the applicant has had a record check within the previous two years, the district, the Washington state center for childhood deafness and hearing loss, the state school for the blind, or contractor may waive the requirement. Except as provided in subsection (2) of this section, the district, pursuant to chapter 41.59 or 41.56 RCW, the Washington state center for childhood deafness and hearing loss, the state school for the blind, or contractor hiring the employee shall determine who shall pay costs associated with the record check.

(2) Federal bureau of Indian affairs-funded schools may use the process in subsection (1) of this section to perform record checks for their employees and applicants for employment.

(3) Individuals who hold a valid portable background check clearance card issued by the department of ((early learning)) children, youth, and families consistent with RCW 43.215.215 (as recodified by this act) can meet the requirements in subsection (1) of this section by providing a true and accurate copy of their Washington state patrol and federal bureau of investigation background report results to the office of the superintendent of public instruction.

Sec. 221. RCW 28A.410.010 and 2014 c 50 s 2 are each amended to read as follows:

(1)(a) The Washington professional educator standards board shall establish, publish, and enforce rules determining eligibility for and certification of personnel employed in the common schools of this state, including certification for emergency or temporary, substitute or provisional duty and under such certificates or permits as the board shall deem proper or as otherwise prescribed by law. The rules shall require that the initial application for certification shall require a record check of the applicant through the Washington state patrol criminal identification system and through the federal bureau of investigation at the applicant's expense. The record check shall include a fingerprint check using a complete Washington state criminal identification fingerprint card. An individual who holds a valid portable background check clearance card issued by the department of ((early learning)) children, youth, and <u>families</u> consistent with RCW 43.215.215 (as recodified by this act) is exempt from the office of the superintendent of public instruction fingerprint background check if the individual provides a true and accurate copy of his or her Washington state patrol and federal bureau of investigation background report results to the office of the superintendent of public instruction. The superintendent of public instruction may waive the record check for any applicant who has had a record check within the two years before application. The rules shall permit a holder of a lapsed certificate but not a revoked or suspended certificate to be employed on a conditional basis by a school district with the requirement that the holder must complete any certificate renewal requirements established by the state board of education within two years of initial reemployment.

(b) In establishing rules pertaining to the qualifications of instructors of American sign language the board shall consult with the national association of the deaf, "sign instructors guidance network" (s.i.g.n.), and the Washington state association of the deaf for evaluation and certification of sign language instructors.

(c) The board shall develop rules consistent with RCW 18.340.020 for the certification of spouses of military personnel.

(2) The superintendent of public instruction shall act as the administrator of any such rules and have the power to issue any certificates or permits and revoke the same in accordance with board rules.

**Sec. 222.** RCW 42.56.230 and 2015 c 224 s 2 and 2015 c 47 s 1 are each reenacted and amended to read as follows:

The following personal information is exempt from public inspection and copying under this chapter:

(1) Personal information in any files maintained for students in public schools, patients or clients of public institutions or public health agencies, or welfare recipients;

(2)(a) Personal information:

(i) For a child enrolled in licensed child care in any files maintained by the department of ((early learning)) children, youth, and families;

(ii) For a child enrolled in a public or nonprofit program serving or pertaining to children, adolescents, or students, including but not limited to early learning or child care services, parks and recreation programs, youth development programs, and after-school programs; or

(iii) For the family members or guardians of a child who is subject to the exemption under this subsection (2) if the family member or guardian has the same last name ((of [as])) as the child or if the family member or guardian resides at the same address ((of [as])) as the child and disclosure of the family member's or guardian's information would result in disclosure of the personal information exempted under (a)(i) and (ii) of this subsection.

(b) Emergency contact information under this subsection (2) may be provided to appropriate authorities and medical personnel for the purpose of treating the individual during an emergency situation; (3) Personal information in files maintained for employees, appointees, or elected officials of any public agency to the extent that disclosure would violate their right to privacy;

(4) Information required of any taxpayer in connection with the assessment or collection of any tax if the disclosure of the information to other persons would: (a) Be prohibited to such persons by RCW 84.08.210, 82.32.330, 84.40.020, 84.40.340, or any ordinance authorized under RCW 35.102.145; or (b) violate the taxpayer's right to privacy or result in unfair competitive disadvantage to the taxpayer;

(5) Credit card numbers, debit card numbers, electronic check numbers, card expiration dates, or bank or other financial information as defined in RCW 9.35.005 including social security numbers, except when disclosure is expressly required by or governed by other law;

(6) Personal and financial information related to a small loan or any system of authorizing a small loan in RCW 31.45.093;

(7)(a) Any record used to prove identity, age, residential address, social security number, or other personal information required to apply for a driver's license or identicard.

(b) Information provided under RCW 46.20.111 that indicates that an applicant declined to register with the selective service system.

(c) Any record pertaining to a vehicle license plate, driver's license, or identicard issued under RCW 46.08.066 that, alone or in combination with any other records, may reveal the identity of an individual, or reveal that an individual is or was, performing an undercover or covert law enforcement, confidential public health work, public assistance fraud, or child support investigative activity. This exemption does not prevent the release of the total number of vehicle license plates, drivers' licenses, or identicards that, under RCW 46.08.066, an agency or department has applied for, been issued, denied, returned, destroyed, lost, and reported for misuse.

(d) Any record pertaining to a vessel registration issued under RCW 88.02.330 that, alone or in combination with any other records, may reveal the identity of an individual, or reveal that an individual is or was, performing an undercover or covert law enforcement activity. This exemption does not prevent the release of the total number of vessel registrations that, under RCW 88.02.330, an agency or department has applied for, been issued, denied, returned, destroyed, lost, and reported for misuse; ((and))

(8) All information related to individual claims resolution structured settlement agreements submitted to the board of industrial insurance appeals under RCW 51.04.063, other than final orders from the board of industrial insurance appeals.

Upon request by the legislature, the department of licensing shall provide a report to the legislature containing all of the information in subsection (7)(c) and (d) of this section that is subject to public disclosure((-)); and

(9) Voluntarily submitted information contained in a database that is part of or associated with enhanced 911 emergency communications systems, or information contained or used in emergency notification systems as provided under RCW 38.52.575 and 38.52.577.

**Sec. 223.** RCW 43.41.400 and 2016 c 72 s 108 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 ((early learning)) 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 report on the educational and workforce outcomes of youth in the juvenile justice system, using data disaggregated by age, and by ethnic categories and racial subgroups in accordance with RCW 28A.300.042; 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 ((early learning)) 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. 224.** RCW 43.43.832 and 2012 c 44 s 2 and 2012 c 10 s 41 are each reenacted and 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 <u>and the</u> <u>secretary of children, youth, and families</u> 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;

(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 are paid by the state or providers 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.

(3) The ((director)) secretary of the department of ((early learning)) 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 ((director)) <u>secretary</u> of the department of ((early learning)) <u>children, youth, and families</u> 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.

(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 Washington personnel resources board shall adopt rules to accomplish the purposes of this subsection as it applies to state employees.

(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.

Sec. 225. RCW 43.43.837 and 2012 c 164 s 506 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 <u>of the department of social</u> and health services and the secretary of the department of children, youth, and <u>families</u> 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 residing in an applicant or service provider's home, facility, entity, agency, or business or who is authorized by the department <u>of</u> social and health services or the department of children, youth, and families to provide services to children or people with developmental disabilities under RCW 74.15.030; or

(c) 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 <u>of social and health services</u>.

(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 43.215.215 (as recodified by this act) and 43.20A.710, the department of ((early learning)) 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 <u>of the department of children, youth, and families</u> 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 <u>of social and health</u> <u>services or the department of children, youth, and families</u> under chapter 71.09 RCW shall require applicants and service providers to undergo a fingerprintbased 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 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 <u>applicable</u> 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((; and

### (g) Foster care as required under RCW 74.15.030)).

(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) ((Children's administration)) 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 <u>of social and health services and the department of children</u>, 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 <u>of social and</u> <u>health services, department of children, youth, and families,</u> 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 <u>of social and</u> <u>health services or the department of children, youth, and families;</u>

(ii) Seeking a contract with the department <u>of social and health services</u>, the <u>department of children</u>, youth, and families, or a service provider;

(iii) Applying for employment, promotion, reallocation, or transfer;

(iv) An individual that a department <u>of social and health services or the department of children, youth, and families</u> client or guardian of a department <u>of social and health services or department of children, youth, and families</u> 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 <u>of social and health services</u> rendered; or

(v) A department <u>of social and health services or department of children</u>, <u>youth, and families</u> 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 <u>of social and health services or</u> <u>department of children, youth, and families</u> program; or

(iv) Work or serve in a department of social and health services or department of children, youth, and families-covered position.

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

(d))) "Secretary" means the secretary of the department of social and health services.

(((e))) (d) "Secure facility" has the meaning provided in RCW 71.09.020.

(((f))) (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 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 client 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. 226. RCW 43.43.838 and 2009 c 170 s 1 are each amended to read as follows:

(1) After January 1, 1988, and notwithstanding any provision of RCW 43.43.700 through 43.43.810 to the contrary, the state patrol shall furnish a transcript of the conviction record pertaining to any person for whom the state patrol or the federal bureau of investigation has a record upon the written request of:

(a) The subject of the inquiry;

(b) Any business or organization for the purpose of conducting evaluations under RCW 43.43.832;

(c) The department of social and health services;

(d) Any law enforcement agency, prosecuting authority, or the office of the attorney general;

(e) The department of social and health services for the purpose of meeting responsibilities set forth in chapter ((74.15,)) 18.51, 18.20, or 72.23 RCW, or any later-enacted statute which purpose is to regulate or license a facility which handles vulnerable adults((. However, access to conviction records pursuant to this subsection (1)(e) does not limit or restrict the ability of the department to obtain additional information regarding conviction records and pending charges as set forth in RCW 74.15.030(2)(b))); or

(f) The department of ((early learning)) <u>children, youth, and families</u> for the purpose of meeting responsibilities in chapters 43.215 (as recodified by this act) and 74.15 RCW. However, access to conviction records pursuant to this subsection (1)(f) does not limit or restrict the ability of department of children, youth, and families to obtain additional information regarding conviction records and pending charges as provided in RCW 74.15.030(2)(b).

(2) The state patrol shall by rule establish fees for disseminating records under this section to recipients identified in subsection (1)(a) and (b) of this section. The state patrol shall also by rule establish fees for disseminating records in the custody of the national crime information center. The revenue from the fees shall cover, as nearly as practicable, the direct and indirect costs to the state patrol of disseminating the records. No fee shall be charged to a nonprofit organization for the records check. Record checks requested by school districts and educational service districts using only name and date of birth will be provided free of charge.

(3) No employee of the state, employee of a business or organization, or the business or organization is liable for defamation, invasion of privacy, negligence, or any other claim in connection with any lawful dissemination of information under RCW 43.43.830 through 43.43.840 or 43.43.760.

(4) Before July 26, 1987, the state patrol shall adopt rules and forms to implement this section and to provide for security and privacy of information disseminated under this section, giving first priority to the criminal justice requirements of this chapter. The rules may include requirements for users, audits of users, and other procedures to prevent use of civil adjudication record information or criminal history record information inconsistent with this chapter.

(5) Nothing in RCW 43.43.830 through 43.43.840 shall authorize an employer to make an inquiry not specifically authorized by this chapter, or be construed to affect the policy of the state declared in chapter 9.96A RCW.

Sec. 227. RCW 43.88.096 and 2013 2nd sp.s. c 32 s 1 are each amended to read as follows:

(1) As used in this section:

(a) "Designated state agency" means the department of social and health services, the department of health, the health care authority, the department of commerce, the department of ecology, the department of fish and wildlife, the office of the superintendent of public instruction, and the department of ((early learning)) children, youth, and families.

(b) "Federal receipts" means the federal financial assistance, as defined in 31 U.S.C. Sec. 7501 on September 28, 2013, that is reported as part of a single audit.

(c) "Single audit" is as defined in 31 U.S.C. Sec. 7501 on September 28, 2013.

(2) Subject to subsection (3) of this section, a designated state agency shall prepare as part of the agency's biennial budget submittal under this chapter a report that:

(a) Reports the aggregate value of federal receipts the designated state agency estimated for the ensuing biennium;

(b) Calculates the percentage of the designated state agency's total budget for the ensuing biennium that constitutes federal receipts that the designated state agency received; and

(c) Develops plans for operating the designated state agency if there is a reduction of:

(i) Five percent or more in the federal receipts that the designated state agency receives; and

(ii) Twenty-five percent or more in the federal receipts that the designated state agency receives.

(3) The report required by subsection (2) of this section prepared by the superintendent of public instruction shall include the information required by subsection (2)(a) through (c) of this section for each school district within the state.

# PART III

# TRANSFER OF CHILD WELFARE POLICIES AND PROGRAMS

Sec. 301. RCW 4.24.595 and 2012 c 259 s 13 are each amended to read as follows:

(1) Governmental entities, and their officers, agents, employees, and volunteers, are not liable in tort for any of their acts or omissions in emergent placement investigations of child abuse or neglect under chapter 26.44 RCW including, but not limited to, any determination to leave a child with a parent, custodian, or guardian, or to return a child to a parent, custodian, or guardian, unless the act or omission constitutes gross negligence. Emergent placement investigations are those conducted prior to a shelter care hearing under RCW 13.34.065.

(2) The department of ((social and health services)) children, youth, and families and its employees shall comply with the orders of the court, including

shelter care and other dependency orders, and are not liable for acts performed to comply with such court orders. In providing reports and recommendations to the court, employees of the department of ((social and health services)) children, youth, and families are entitled to the same witness immunity as would be provided to any other witness.

Sec. 302. RCW 13.34.030 and 2017 c 276 s 2 are each amended to read as follows:

((For purposes of)) The definitions in this section apply throughout this chapter(( $\div$ )) <u>unless the context clearly requires otherwise</u>.

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

(2) "Child," "juvenile," and "youth" mean((s)):

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

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

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

(4) "Department" means the department of ((social and health services)) children, youth, and families.

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

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

(a) Has been abandoned;

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

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

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

(7) "Developmental disability" means a disability attributable to intellectual disability, cerebral palsy, epilepsy, autism, or another neurological or other condition of an individual found by the secretary of the department of social and health services to be closely related to an intellectual disability or to require treatment similar to that required for individuals with intellectual disabilities,

which disability originates before the individual attains age eighteen, which has continued or can be expected to continue indefinitely, and which constitutes a substantial limitation to the individual.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 303. RCW 13.34.090 and 2000 c 122 s 10 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 ((of social and health services)) 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.

Sec. 304. RCW 13.34.096 and 2016 c 180 s 1 are each amended to read as follows:

(1) The department or supervising agency shall provide the child's foster parents, preadoptive parents, or other caregivers with timely and adequate notice of their right to be heard prior to each proceeding held with respect to the child in juvenile court under this chapter. For purposes of this section, "timely and adequate notice" means notice at the time the department would be required to give notice to parties to the case and by any means reasonably certain of notifying the foster parents, preadoptive parents, or other caregivers, including but not limited to written, telephone, or in person oral notification. For emergency hearings, the department shall give notice to foster parents, preadoptive parents, or other caregivers as soon as is practicable. For six-month review and annual permanency hearings, the department shall give notice to foster parents upon placement or as soon as practicable.

(2) The court shall establish and include in the court record after every hearing for which the department or supervising agency is required to provide notice to the child's foster parents, preadoptive parents, and caregivers whether the department provided adequate and timely notice, whether a caregiver's report was received by the court, and whether the court provided the child's foster parents, preadoptive parents, or caregivers with an opportunity to be heard in court. For purposes of this section, "caregiver's report" means a form provided by the department ((of social and health services)) to a child's foster parents, preadoptive parents, or caregivers that provides an opportunity for those individuals to share information about the child with the court before a court hearing. A caregiver's report shall not include information related to a child's biological parent that is not directly related to the child's well-being.

(3) Absent exigent circumstances, the department shall provide the child's foster family home notice of expected placement changes as required by RCW 74.13.300.

(4) The rights to notice and to be heard apply only to persons with whom a child has been placed by the department or supervising agency and who are providing care to the child at the time of the proceeding. This section shall not be construed to grant party status to any person solely on the basis of such notice and right to be heard.

Sec. 305. RCW 13.34.110 and 2007 c 220 s 9 are each amended to read as follows:

(1) The court shall hold a fact-finding hearing on the petition and, unless the court dismisses the petition, shall make written findings of fact, stating the reasons therefor. The rules of evidence shall apply at the fact-finding hearing and the parent, guardian, or legal custodian of the child shall have all of the rights provided in RCW 13.34.090(1). The petitioner shall have the burden of establishing by a preponderance of the evidence that the child is dependent within the meaning of RCW 13.34.030.

(2) The court in a fact-finding hearing may consider the history of past involvement of child protective services or law enforcement agencies with the family for the purpose of establishing a pattern of conduct, behavior, or inaction with regard to the health, safety, or welfare of the child on the part of the child's parent, guardian, or legal custodian, or for the purpose of establishing that reasonable efforts have been made by the department to prevent or eliminate the need for removal of the child from the child's home. No report of child abuse or neglect that has been destroyed or expunged under RCW 26.44.031 may be used for such purposes.

(3)(a) The parent, guardian, or legal custodian of the child may waive his or her right to a fact-finding hearing by stipulating or agreeing to the entry of an order of dependency establishing that the child is dependent within the meaning of RCW 13.34.030. The parent, guardian, or legal custodian may also stipulate or agree to an order of disposition pursuant to RCW 13.34.130 at the same time. Any stipulated or agreed order of dependency or disposition must be signed by the parent, guardian, or legal custodian and his or her attorney, unless the parent, guardian, or legal custodian has waived his or her right to an attorney in open court, and by the petitioner and the attorney, guardian ad litem, or court-appointed special advocate for the child, if any. If the department ((of social and health services)) is not the petitioner and is required by the order to supervise the placement of the child or provide services to any party, the department must also agree to and sign the order.

(b) Entry of any stipulated or agreed order of dependency or disposition is subject to approval by the court. The court shall receive and review a social study before entering a stipulated or agreed order and shall consider whether the order is consistent with the allegations of the dependency petition and the problems that necessitated the child's placement in out-of-home care. No social file or social study may be considered by the court in connection with the factfinding hearing or prior to factual determination, except as otherwise admissible under the rules of evidence.

(c) Prior to the entry of any stipulated or agreed order of dependency, the parent, guardian, or legal custodian of the child and his or her attorney must appear before the court and the court within available resources must inquire and establish on the record that:

(i) The parent, guardian, or legal custodian understands the terms of the order or orders he or she has signed, including his or her responsibility to participate in remedial services as provided in any disposition order;

(ii) The parent, guardian, or legal custodian understands that entry of the order starts a process that could result in the filing of a petition to terminate his or her relationship with the child within the time frames required by state and federal law if he or she fails to comply with the terms of the dependency or disposition orders or fails to substantially remedy the problems that necessitated the child's placement in out-of-home care;

(iii) The parent, guardian, or legal custodian understands that the entry of the stipulated or agreed order of dependency is an admission that the child is dependent within the meaning of RCW 13.34.030 and shall have the same legal effect as a finding by the court that the child is dependent by at least a preponderance of the evidence, and that the parent, guardian, or legal custodian shall not have the right in any subsequent proceeding for termination of parental rights or dependency guardianship pursuant to this chapter or nonparental custody pursuant to chapter 26.10 RCW to challenge or dispute the fact that the child was found to be dependent; and

(iv) The parent, guardian, or legal custodian knowingly and willingly stipulated and agreed to and signed the order or orders, without duress, and without misrepresentation or fraud by any other party.

If a parent, guardian, or legal custodian fails to appear before the court after stipulating or agreeing to entry of an order of dependency, the court may enter the order upon a finding that the parent, guardian, or legal custodian had actual notice of the right to appear before the court and chose not to do so. The court may require other parties to the order, including the attorney for the parent, guardian, or legal custodian, to appear and advise the court of the parent's, guardian's, or legal custodian's notice of the right to appear and understanding of the factors specified in this subsection. A parent, guardian, or legal custodian may choose to waive his or her presence at the in-court hearing for entry of the stipulated or agreed order of dependency by submitting to the court through counsel a completed stipulated or agreed dependency fact-finding/disposition statement in a form determined by the Washington state supreme court pursuant to General Rule GR 9.

(4) Immediately after the entry of the findings of fact, the court shall hold a disposition hearing, unless there is good cause for continuing the matter for up to fourteen days. If good cause is shown, the case may be continued for longer than fourteen days. Notice of the time and place of the continued hearing may be given in open court. If notice in open court is not given to a party, that party shall be notified by certified mail of the time and place of any continued hearing. Unless there is reasonable cause to believe the health, safety, or welfare of the child would be jeopardized or efforts to reunite the parent and child would be hindered, the court shall direct the department to notify those adult persons who: (a) Are related by blood or marriage to the child in the following degrees: Parent, grandparent, brother, sister, stepparent, stepbrother, stepsister, uncle, or aunt; (b) are known to the department as having been in contact with the family or child within the past twelve months; and (c) would be an appropriate placement for the child. Reasonable cause to dispense with notification to a parent under this section must be proved by clear, cogent, and convincing evidence.

The parties need not appear at the fact-finding or dispositional hearing if the parties, their attorneys, the guardian ad litem, and court-appointed special advocates, if any, are all in agreement.

Sec. 306. RCW 13.34.136 and 2015 c 270 s 1 are each amended to read as follows:

(1) Whenever a child is ordered removed from the home, a permanency plan shall be developed no later than sixty days from the time the supervising agency 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 agency supervising the dependency shall submit a written permanency plan to all parties and the court not less than fourteen days prior to the scheduled hearing. Responsive reports of parties not in agreement with the department's or supervising agency's proposed permanency plan must be provided to the department or supervising agency, 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; permanent legal custody; long-term relative or foster care, if the child is between ages sixteen and eighteen, 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 or older. Although a permanency plan of care may only identify long-term relative or foster care for children between ages sixteen and eighteen, children under sixteen may remain placed with relatives or in foster care. The department or supervising agency shall not discharge a child to an independent living situation before the child is eighteen 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 supervising agency or 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 or supervising agency 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 or supervising agency'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 <u>department of social and health services</u> developmental disabilities administration, the department shall make reasonable efforts to consult with the <u>department of social and health services</u> developmental disabilities administration to create an appropriate plan for services. For individuals who meet the definition of developmental disabilities administration, the plan 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 supervising agency or 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. 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 or supervising agency 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.

(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-ofstate placement options have been considered by the department or supervising agency.

(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 supervising agency or department shall provide all reasonable services that are available within the department or supervising agency, 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(8), 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 or supervising agency 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 of the most recent twenty-two months, and the court has not made a good cause exception, the court shall require the department or supervising agency 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(6). 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 supervising 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 ((of social and health services)) or other supervising 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:

(a) "Guardianship" means a dependency guardianship or a legal guardianship pursuant to chapter 11.88 RCW or equivalent laws of another state or a federally recognized Indian tribe.

(b) "Permanent custody order" means a custody order entered pursuant to chapter 26.10 RCW.

(c) "Permanent legal custody" means legal custody pursuant to chapter 26.10 RCW or equivalent laws of another state or a federally recognized Indian tribe.

Sec. 307. RCW 13.34.141 and 2009 c 484 s 1 are each amended to read as follows:

(1) After entry of a dispositional order pursuant to RCW 13.34.130 ordering placement of a child in out-of-home care, the department shall continue to encourage the parent, guardian, or custodian of the child to engage in services and maintain contact with the child, which shall be accomplished by attaching a standard notice to the services and safety plan to be provided in advance of hearings conducted pursuant to RCW 13.34.138.

(2) The notice shall be photocopied on contrasting paper to distinguish it from the services and safety plan to which it is attached, and shall be in substantially the following form:

#### "NOTICE

If you have not been maintaining consistent contact with your child in outof-home care, your ability to reunify with your child may be jeopardized. If this is your situation, you need to be aware that you have important legal rights and must take steps to protect your interests.

1. The department of ((social and health services)) children, youth, and families (or other supervising agency) and the court have created a permanency plan for your child, including a primary placement plan and a secondary placement plan, and recommending services needed before your child can be placed in the primary or secondary placement. If you want the court to order that your child be reunified with you, you should notify your lawyer and the department, and you should carefully comply with court orders for services and participate regularly in visitation with your child may lead to the filing of a petition to terminate your rights as a parent.

2. 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. Even if you want another parent or person to be the primary placement choice for your child, you should tell your lawyer, the department, and the court if you want to be the secondary placement option, and you should comply with any 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.

3. Dependency review hearings, and all other dependency case hearings, are legal proceedings with potentially serious consequences. Failure to participate, respond, or comply with court orders may lead to the loss of your parental rights."

Sec. 308. RCW 13.34.180 and 2013 c 173 s 4 are each amended to read as follows:

(1) A petition seeking termination of a parent and child relationship may be filed in juvenile court by any party, including the supervising agency, to the dependency proceedings concerning that child. Such petition shall conform to the requirements of RCW 13.34.040, shall be served upon the parties as provided in RCW 13.34.070(8), and shall allege all of the following unless subsection (3) or (4) of this section applies:

(a) That the child has been found to be a dependent child;

(b) That the court has entered a dispositional order pursuant to RCW 13.34.130;

(c) That the child has been removed or will, at the time of the hearing, have been removed from the custody of the parent for a period of at least six months pursuant to a finding of dependency;

(d) That the services ordered under RCW 13.34.136 have been expressly and understandably offered or provided and all necessary services, reasonably available, capable of correcting the parental deficiencies within the foreseeable future have been expressly and understandably offered or provided;

(e) That there is little likelihood that conditions will be remedied so that the child can be returned to the parent in the near future. A parent's failure to substantially improve parental deficiencies within twelve months following entry of the dispositional order shall give rise to a rebuttable presumption that there is little likelihood that conditions will be remedied so that the child can be returned to the parent in the near future. The presumption shall not arise unless the petitioner makes a showing that all necessary services reasonably capable of correcting the parental deficiencies within the foreseeable future have been clearly offered or provided. In determining whether the conditions will be remedied the court may consider, but is not limited to, the following factors:

(i) Use of intoxicating or controlled substances so as to render the parent incapable of providing proper care for the child for extended periods of time or for periods of time that present a risk of imminent harm to the child, and documented unwillingness of the parent to receive and complete treatment or documented multiple failed treatment attempts;

(ii) Psychological incapacity or mental deficiency of the parent that is so severe and chronic as to render the parent incapable of providing proper care for the child for extended periods of time or for periods of time that present a risk of imminent harm to the child, and documented unwillingness of the parent to receive and complete treatment or documentation that there is no treatment that can render the parent capable of providing proper care for the child in the near future; or

(iii) Failure of the parent to have contact with the child for an extended period of time after the filing of the dependency petition if the parent was provided an opportunity to have a relationship with the child by the department or the court and received documented notice of the potential consequences of this failure, except that the actual inability of a parent to have visitation with the child including, but not limited to, mitigating circumstances such as a parent's current or prior incarceration or service in the military does not in and of itself constitute failure to have contact with the child; and

(f) That continuation of the parent and child relationship clearly diminishes the child's prospects for early integration into a stable and permanent home. If the parent is incarcerated, the court shall consider whether a parent maintains a meaningful role in his or her child's life based on factors identified in RCW 13.34.145(5)(b); whether the department or supervising agency made reasonable efforts as defined in this chapter; and whether particular barriers existed as described in RCW 13.34.145(5)(b) including, but not limited to, delays or barriers experienced in keeping the agency apprised of his or her location and in accessing visitation or other meaningful contact with the child.

(2) As evidence of rebuttal to any presumption established pursuant to subsection (1)(e) of this section, the court may consider the particular constraints of a parent's current or prior incarceration. Such evidence may include, but is not

limited to, delays or barriers a parent may experience in keeping the agency apprised of his or her location and in accessing visitation or other meaningful contact with the child.

(3) In lieu of the allegations in subsection (1) of this section, the petition may allege that the child was found under such circumstances that the whereabouts of the child's parent are unknown and no person has acknowledged paternity or maternity and requested custody of the child within two months after the child was found.

(4) In lieu of the allegations in subsection (1)(b) through (f) of this section, the petition may allege that the parent has been convicted of:

(a) Murder in the first degree, murder in the second degree, or homicide by abuse as defined in chapter 9A.32 RCW against another child of the parent;

(b) Manslaughter in the first degree or manslaughter in the second degree, as defined in chapter 9A.32 RCW against another child of the parent;

(c) Attempting, conspiring, or soliciting another to commit one or more of the crimes listed in (a) or (b) of this subsection; or

(d) Assault in the first or second degree, as defined in chapter 9A.36 RCW, against the surviving child or another child of the parent.

(5) When a parent has been sentenced to a long-term incarceration and has maintained a meaningful role in the child's life considering the factors provided in RCW 13.34.145(5)(b), and it is in the best interest of the child, the department should consider a permanent placement that allows the parent to maintain a relationship with his or her child, such as, but not limited to, a guardianship pursuant to chapter 13.36 RCW.

(6) Notice of rights shall be served upon the parent, guardian, or legal custodian with the petition and shall be in substantially the following form:

#### "NOTICE

A petition for termination of parental rights has been filed against you. You have important legal rights and you must take steps to protect your interests. This petition could result in permanent loss of your parental rights.

1. You have the right to a fact-finding hearing before a judge.

2. You have the right to have a lawyer represent you at the hearing. A lawyer can look at the files in your case, talk to the department of ((social and health services)) children, youth, and families or the supervising agency 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.

You should be present at this hearing.

You may call <u>(insert agency)</u> for more information about your child. The agency's name and telephone number are <u>(insert name and telephone number)</u>."

Sec. 309. RCW 13.34.820 and 2016 c 180 s 2 are each amended to read as follows:

(1) The administrative office of the courts, in consultation with the attorney general's office and the department ((of social and health services)), shall compile an annual report, providing information about cases that fail to meet statutory guidelines to achieve permanency for dependent children.

(2) The administrative office of the courts shall submit the annual report required by this section to appropriate committees of the legislature by December 1st of each year, beginning on December 1, 2007. The administrative office of the courts shall also submit the annual report to a representative of the foster parent association of Washington state.

(3) The annual report shall include information regarding whether foster parents received timely notification of dependency hearings as required by RCW 13.34.096 and 13.34.145 and whether caregivers submitted reports to the court.

Sec. 310. RCW 13.36.020 and 2010 c 272 s 2 are each reenacted and amended to read as follows:

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

(1) "Child" means any individual under the age of eighteen years.

(2) "Department" means the department of ((social and health services)) children, youth, and families.

(3) "Dependent child" means a child who has been found by a court to be dependent in a proceeding under chapter 13.34 RCW.

(4) "Guardian" means a person who: (a) Has been appointed by the court as the guardian of a child in a legal proceeding under this chapter; and (b) has the legal right to custody of the child pursuant to court order. The term "guardian" does not include a "dependency guardian" appointed pursuant to a proceeding under chapter 13.34 RCW for the purpose of assisting the court in supervising the dependency.

(5) "Relative" means a person related to the child in the following ways: (a) Any blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great; (b) stepfather, stepmother, stepbrother, and stepsister; (c) a person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law; (d) spouses of any persons named in (a), (b), or (c) of this subsection, even after the marriage is terminated; (e) relatives, as named in (a), (b), (c), or (d) of this subsection, of any half sibling of the child; or (f) extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4):

(6) "Suitable person" means a nonrelative with whom the child or the child's family has a preexisting relationship; who has completed all required criminal history background checks and otherwise appears to be suitable and competent

to provide care for the child; and with whom the child has been placed pursuant to RCW 13.34.130.

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

Sec. 311. RCW 13.38.040 and 2011 c 309 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) "Active efforts" means the following:

(a) In any foster care placement or termination of parental rights proceeding of an Indian child under chapter 13.34 RCW and this chapter where the department or a supervising agency as defined in RCW 74.13.020 has a statutory or contractual duty to provide services to, or procure services for, the parent or parents or Indian custodian, or is providing services to a parent or parents or Indian custodian pursuant to a disposition order entered pursuant to RCW 13.34.130, the department or supervising agency shall make timely and diligent efforts to provide or procure such services, including engaging the parent or parents or Indian custodian in reasonably available and culturally appropriate preventive, remedial, or rehabilitative services. This shall include those services offered by tribes and Indian organizations whenever possible. At a minimum "active efforts" shall include:

(i) In any dependency proceeding under chapter 13.34 RCW seeking out-ofhome placement of an Indian child in which the department or supervising agency provided voluntary services to the parent, parents, or Indian custodian prior to filing the dependency petition, a showing to the court that the department or supervising agency social workers actively worked with the parent, parents, or Indian custodian to engage them in remedial services and rehabilitation programs to prevent the breakup of the family beyond simply providing referrals to such services.

(ii) In any dependency proceeding under chapter 13.34 RCW, in which the petitioner is seeking the continued out-of-home placement of an Indian child, the department or supervising agency must show to the court that it has actively worked with the parent, parents, or Indian custodian in accordance with existing court orders and the individual service plan to engage them in remedial services and rehabilitative programs to prevent the breakup of the family beyond simply providing referrals to such services.

(iii) In any termination of parental rights proceeding regarding an Indian child under chapter 13.34 RCW in which the department or supervising agency provided services to the parent, parents, or Indian custodian, a showing to the court that the department or supervising agency social workers actively worked with the parent, parents, or Indian custodian to engage them in remedial services and rehabilitation programs ordered by the court or identified in the department or supervising agency's individual service and safety plan beyond simply providing referrals to such services.

(b) In any foster care placement or termination of parental rights proceeding in which the petitioner does not otherwise have a statutory or contractual duty to directly provide services to, or procure services for, the parent or Indian custodian, "active efforts" means a documented, concerted, and good faith effort to facilitate the parent's or Indian custodian's receipt of and engagement in services capable of meeting the criteria set out in (a) of this subsection.

(2) "Best interests of the Indian child" means the use of practices in accordance with the federal Indian child welfare act, this chapter, and other applicable law, that are designed to accomplish the following: (a) Protect the safety, well-being, development, and stability of the Indian child; (b) prevent the unnecessary out-of-home placement of the Indian child; (c) acknowledge the right of Indian tribes to maintain their existence and integrity which will promote the stability and security of their children and families; (d) recognize the value to the Indian child of establishing, developing, or maintaining a political, cultural, social, and spiritual relationship with the Indian child's tribe and tribal community; and (e) in a proceeding under this chapter where out-of-home placement is necessary, to prioritize placement of the Indian child in accordance with the placement preferences of this chapter.

(3) "Child custody proceeding" includes:

(a) "Foster care placement" which means any action removing an Indian child from his or her parent or Indian custodian for temporary placement in a foster home, institution, or with a relative, guardian, conservator, or suitable other person where the parent or Indian custodian cannot have the child returned upon demand, but where parental rights have not been terminated;

(b) "Termination of parental rights" which means any action resulting in the termination of the parent-child relationship;

(c) "Preadoptive placement" which means the temporary placement of an Indian child in a foster home or institution after the termination of parental rights but before or in lieu of adoptive placement; and

(d) "Adoptive placement" which means the permanent placement of an Indian child for adoption, including any action resulting in a final decree of adoption.

These terms shall not include a placement based upon an act which, if committed by an adult, would be deemed a crime or upon an award, in a dissolution proceeding of custody to one of the parents.

(4) "Court of competent jurisdiction" means a federal court, or a state court that entered an order in a child custody proceeding involving an Indian child, as long as the state court had proper subject matter jurisdiction in accordance with this chapter and the laws of that state, or a tribal court that had or has exclusive or concurrent jurisdiction pursuant to 25 U.S.C. Sec. 1911.

(5) "Department" means the department of ((social and health services)) children, youth, and families and any of its divisions. "Department" also includes supervising agencies as defined in RCW 74.13.020(((12))) with which the department entered into a contract to provide services, care, placement, case management, contract monitoring, or supervision to children subject to a petition filed under chapter 13.34 or 26.33 RCW.

(6) "Indian" means a person who is a member of an Indian tribe, or who is an Alaska native and a member of a regional corporation as defined in 43 U.S.C. Sec. 1606.

(7) "Indian child" means an unmarried and unemancipated Indian person who is under eighteen years of age and is either: (a) A member of an Indian tribe; or (b) eligible for membership in an Indian tribe and is the biological child of a member of an Indian tribe.

(8) "Indian child's family" or "extended family member" means an individual, defined by the law or custom of the child's tribe, as a relative of the child. If the child's tribe does not identify such individuals by law or custom, the term means an adult who is the Indian child's grandparent, aunt, uncle, brother, sister, brother-in-law, sister-in-law, niece, nephew, first or second cousin, or stepparent, even following termination of the marriage.

(9) "Indian child's tribe" means a tribe in which an Indian child is a member or eligible for membership.

(10) "Indian custodian" means an Indian person who under tribal law, tribal custom, or state law((5)) has legal or temporary physical custody of an Indian child, or to whom the parent has transferred temporary care, physical custody, and control of an Indian child.

(11) "Indian tribe" or "tribe" means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the secretary of the interior because of their status as Indians, including any Alaska native village as defined in 43 U.S.C. Sec. 1602(c).

(12) "Member" and "membership" means a determination by an Indian tribe that a person is a member or eligible for membership in that Indian tribe.

(13) "Parent" means a biological parent or parents of an Indian child or a person who has lawfully adopted an Indian child, including adoptions made under tribal law or custom. "Parent" does not include an unwed father whose paternity has not been acknowledged or established under chapter 26.26 RCW or the applicable laws of other states.

(14) "Secretary of the interior" means the secretary of the United States department of the interior.

(15) "Tribal court" means a court or body vested by an Indian tribe with jurisdiction over child custody proceedings, including but not limited to a federal court of Indian offenses, a court established and operated under the code or custom of an Indian tribe, or an administrative body of an Indian tribe vested with authority over child custody proceedings.

(16) "Tribal customary adoption" means adoption or other process through the tribal custom, traditions, or laws of an Indian child's tribe by which the Indian child is permanently placed with a nonparent and through which the nonparent is vested with the rights, privileges, and obligations of a legal parent. Termination of the parent-child relationship between the Indian child and the biological parent is not required to effect or recognize a tribal customary adoption.

Sec. 312. RCW 13.50.010 and 2017 c 277 s 1 are each amended to read as follows:

(1) For purposes of this chapter:

(a) "Good faith effort to pay" means a juvenile offender has either (i) paid the principal amount in full; (ii) made at least eighty percent of the value of full monthly payments within the period from disposition or deferred disposition until the time the amount of restitution owed is under review; or (iii) can show good cause why he or she paid an amount less than eighty percent of the value of full monthly payments; (b) "Juvenile justice or care agency" means any of the following: Police, diversion units, court, prosecuting attorney, defense attorney, detention center, attorney general, the ((legislative children's oversight committee)) oversight board for children, youth, and families, the office of the family and children's ombuds, the department of social and health services and its contracting agencies, the department of children, youth, and families and its contracting agencies, schools; persons or public or private agencies having children committee to their custody; and any placement oversight committee created under RCW 72.05.415;

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

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

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

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

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

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

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

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

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

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

(6) A juvenile, or his or her parents, or any person who has reasonable cause to believe information concerning that person is included in the records of a juvenile justice or care agency may make a motion to the court challenging the (7) The person making a motion under subsection (5) or (6) of this section shall give reasonable notice of the motion to all parties to the original action and to any agency whose records will be affected by the motion.

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

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

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

(11) Requirements in this chapter relating to the court's authority to compel disclosure shall not apply to the ((<del>legislative children's oversight committee</del>)) <u>oversight board for children, youth, and families</u> or the office of the family and children's ombuds.

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

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

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

(15) For purposes of providing for the educational success of youth in foster care, the department of ((social and health services)) children, youth, and families may disclose only those confidential child welfare records that pertain to or may assist with meeting the educational needs of foster youth to another state agency or state agency's contracted provider responsible under state law or contract for assisting foster youth to attain educational success. The records retain their confidentiality pursuant to this chapter and federal law and cannot be further disclosed except as allowed under this chapter and federal law.

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

(17) For purposes of investigating and preventing child abuse and neglect, and providing for the health care coordination and the well-being of children in foster care, the department of children, youth, and families may disclose only those confidential child welfare records that pertain to or may assist with investigation and prevention of child abuse and neglect, or may assist with providing for the health and well-being of children in foster care to the department of social and health services, the health care authority, or their contracting agencies. For purposes of investigating and preventing child abuse and neglect, and to provide for the coordination of health care and the well-being of children in foster care, the department of social and health services and the health care authority may disclose only those confidential child welfare records that pertain to or may assist with investigation and prevention of child abuse and neglect, or may assist with providing for the health care coordination and the well-being of children in foster care to the department of children, youth, and families, or its contracting agencies. The records retain their confidentiality pursuant to this chapter and federal law and cannot be further disclosed except as allowed under this chapter and federal law.

Sec. 313. RCW 13.50.100 and 2014 c 175 s 8 are each amended to read as follows:

(1) This section governs records not covered by RCW 13.50.050, 13.50.260, and 13.50.270.

(3) Records retained or produced by any juvenile justice or care agency may be released to other participants in the juvenile justice or care system only when an investigation or case involving the juvenile in question is being pursued by the other participant or when that other participant is assigned the responsibility of supervising the juvenile. Records covered under this section and maintained by the juvenile courts which relate to the official actions of the agency may be entered in the statewide judicial information system. However, truancy records associated with a juvenile who has no other case history, and records of a juvenile's parents who have no other case history, shall be removed from the judicial information system when the juvenile is no longer subject to the compulsory attendance laws in chapter 28A.225 RCW. A county clerk is not liable for unauthorized release of this data by persons or agencies not in his or her employ or otherwise subject to his or her control, nor is the county clerk liable for inaccurate or incomplete information collected from litigants or other persons required to provide identifying data pursuant to this section.

(4) Subject to (a) of this subsection, the department of ((social and health services)) children, youth, and families may release information retained in the course of conducting child protective services investigations to a family or juvenile court hearing a petition for custody under chapter 26.10 RCW.

(a) Information that may be released shall be limited to information regarding investigations in which: (i) The juvenile was an alleged victim of abandonment or abuse or neglect; or (ii) the petitioner for custody of the juvenile, or any individual aged sixteen or older residing in the petitioner's household, is the subject of a founded or currently pending child protective services investigation made by the department <u>of social and health services or the department of children, youth, and families</u> subsequent to October 1, 1998.

(b) Additional information may only be released with the written consent of the subject of the investigation and the juvenile alleged to be the victim of abandonment or abuse and neglect, or the parent, custodian, guardian, or personal representative of the juvenile, or by court order obtained with notice to all interested parties.

(5) Any disclosure of records or information by the department of social and health services <u>or the department of children</u>, youth, and families, pursuant to this section shall not be deemed a waiver of any confidentiality or privilege attached to the records or information by operation of any state or federal statute or regulation, and any recipient of such records or information shall maintain it in such a manner as to comply with such state and federal statutes and regulations and to protect against unauthorized disclosure.

(6) A contracting agency or service provider of the department of social and health services <u>or the department of children, youth, and families</u>, that provides counseling, psychological, psychiatric, or medical services may release to the office of the family and children's ombuds information or records relating to services provided to a juvenile who is dependent under chapter 13.34 RCW without the consent of the parent or guardian of the juvenile, or of the juvenile if the juvenile is under the age of thirteen years, unless such release is otherwise specifically prohibited by law.

(7) A juvenile, his or her parents, the juvenile's attorney, and the juvenile's parent's attorney, shall, upon request, be given access to all records and information collected or retained by a juvenile justice or care agency which pertain to the juvenile except:

(a) If it is determined by the agency that release of this information is likely to cause severe psychological or physical harm to the juvenile or his or her parents the agency may withhold the information subject to other order of the court: PROVIDED, That if the court determines that limited release of the information is appropriate, the court may specify terms and conditions for the release of the information; or

(b) If the information or record has been obtained by a juvenile justice or care agency in connection with the provision of counseling, psychological, psychiatric, or medical services to the juvenile, when the services have been sought voluntarily by the juvenile, and the juvenile has a legal right to receive those services without the consent of any person or agency, then the information or record may not be disclosed to the juvenile's parents without the informed consent of the juvenile unless otherwise authorized by law; or

(c) That the department of ((social and health services)) children, youth, and families may delete the name and identifying information regarding persons or organizations who have reported alleged child abuse or neglect.

(8) A juvenile or his or her parent denied access to any records following an agency determination under subsection (7) of this section may file a motion in juvenile court requesting access to the records. The court shall grant the motion unless it finds access may not be permitted according to the standards found in subsection (7)(a) and (b) of this section.

(9) The person making a motion under subsection (8) of this section shall give reasonable notice of the motion to all parties to the original action and to any agency whose records will be affected by the motion.

(10) Subject to the rules of discovery in civil cases, any party to a proceeding seeking a declaration of dependency or a termination of the parentchild relationship and any party's counsel and the guardian ad litem of any party, shall have access to the records of any natural or adoptive child of the parent, subject to the limitations in subsection (7) of this section. A party denied access to records may request judicial review of the denial. If the party prevails, he or she shall be awarded attorneys' fees, costs, and an amount not less than five dollars and not more than one hundred dollars for each day the records were wrongfully denied.

(11) No unfounded allegation of child abuse or neglect as defined in RCW 26.44.020(1) may be disclosed to a child-placing agency, private adoption agency, or any other licensed provider.

Sec. 314. RCW 13.50.140 and 2013 c 23 s 8 are each amended to read as follows:

Any communication or advice privileged under RCW 5.60.060 that is disclosed by the office of the attorney general, the department of children, youth, and families, or the department of social and health services to the office of the family and children's ombuds may not be deemed to be a waiver of the privilege as to others.

Sec. 315. RCW 13.60.010 and 2015 1st sp.s. c 2 s 2 are each amended to read as follows:

(1) The Washington state patrol shall establish a missing children and endangered person clearinghouse which shall include the maintenance and operation of a toll-free telephone hotline. The clearinghouse shall distribute information to local law enforcement agencies, school districts, the department of ((social and health services)) children, youth, and families, and the general public regarding missing children and endangered persons. The information shall include pictures, bulletins, training sessions, reports, and biographical materials that will assist in local law enforcement efforts to locate missing children and endangered persons. The state patrol shall also maintain a regularly updated computerized link with national and other statewide missing person systems or clearinghouses, and within existing resources, shall develop and implement a plan, commonly known as an "amber alert plan" or an "endangered missing person advisory plan" which includes a "silver alert" designation for voluntary cooperation between local, state, tribal, and other law enforcement agencies, state government agencies, radio and television stations, cable and satellite systems, and social media pages and sites to enhance the public's ability to assist in recovering abducted children and missing endangered persons consistent with the state endangered missing person advisory plan.

(2) For the purposes of this chapter:

(a) "Child" or "children" means an individual under eighteen years of age.

(b) "Missing endangered person" means a person who is believed to be in danger because of age, health, mental or physical disability, in combination with environmental or weather conditions, or is believed to be unable to return to safety without assistance and who is:

(i) A person with a developmental disability as defined in RCW 71A.10.020(5);

(ii) A vulnerable adult as defined in RCW 74.34.020(((17))); or

(iii) A person who has been diagnosed as having Alzheimer's disease or other age-related dementia.

(c) "Silver alert" means the designated title of a missing endangered person advisory that will be used on a variable message sign and text of the highway advisory radio message when used as part of an activated advisory to assist in the recovery of a missing endangered person age sixty or older.

Sec. 316. RCW 13.60.040 and 1999 c 267 s 18 are each amended to read as follows:

The department of ((social and health services)) children, youth, and families shall develop a procedure for reporting missing children information to the missing children clearinghouse on children who are receiving departmental services in each of its administrative regions. The purpose of this procedure is to link parents to missing children. When the department has obtained information that a minor child has been located at a facility funded by the department, the department shall notify the clearinghouse and the child's legal custodian, advising the custodian of the child's whereabouts or that the child is subject to a dependency action. The department shall inform the clearinghouse when reunification occurs.

Sec. 317. RCW 13.64.030 and 1993 c 294 s 3 are each amended to read as follows:

The petitioner shall serve a copy of the filed petition and notice of hearing on the petitioner's parent or parents, guardian, or custodian at least fifteen days before the emancipation hearing. No summons shall be required. Service shall be waived if proof is made to the court that the address of the parent or parents, guardian, or custodian is unavailable or unascertainable. The petitioner shall also serve notice of the hearing on the department <u>of children, youth, and families</u> if the petitioner is subject to dependency disposition order under RCW 13.34.130. The hearing shall be held no later than sixty days after the date on which the petition is filed.

Sec. 318. RCW 13.64.050 and 1993 c 294 s 5 are each amended to read as follows:

(1) The court shall grant the petition for emancipation, except as provided in subsection (2) of this section, if the petitioner proves the following facts by clear and convincing evidence: (a) That the petitioner is sixteen years of age or older; (b) that the petitioner is a resident of the state; (c) that the petitioner has the ability to manage his or her financial affairs; and (d) that the petitioner has the ability to manage his or her personal, social, educational, and nonfinancial affairs.

(2) A parent, guardian, custodian, or in the case of a dependent minor, the department <u>of children, youth, and families</u>, may oppose the petition for emancipation. The court shall deny the petition unless it finds, by clear and convincing evidence, that denial of the grant of emancipation would be detrimental to the interests of the minor.

(3) Upon entry of a decree of emancipation by the court the petitioner shall be given a certified copy of the decree. The decree shall instruct the petitioner to obtain a Washington driver's license or a Washington identification card and direct the department of licensing make a notation of the emancipated status on the license or identification card.

Sec. 319. RCW 26.33.020 and 1993 c 81 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) "Alleged father" means a person whose parent-child relationship has not been terminated, who is not a presumed father under chapter 26.26 RCW, and who alleges himself or whom a party alleges to be the father of the child. It includes a person whose marriage to the mother was terminated more than three hundred days before the birth of the child or who was separated from the mother more than three hundred days before the birth of the child.

(2) "Child" means a person under eighteen years of age.

(3) "Adoptee" means a person who is to be adopted or who has been adopted.

(4) "Adoptive parent" means the person or persons who seek to adopt or have adopted an adoptee.

(5) "Court" means the superior court.

(6) "Department" means the department of ((social and health services)) children, youth, and families.

(7) "Agency" means any public or private association, corporation, or individual licensed or certified by the department as a child-placing agency under chapter 74.15 RCW or as an adoption agency.

(8) "Parent" means the natural or adoptive mother or father of a child, including a presumed father under chapter 26.26 RCW. It does not include any person whose parent-child relationship has been terminated by a court of competent jurisdiction.

(9) "Legal guardian" means the department, an agency, or a person, other than a parent or stepparent, appointed by the court to promote the child's general welfare, with the authority and duty to make decisions affecting the child's development.

(10) "Guardian ad litem" means a person, not related to a party to the action, appointed by the court to represent the best interests of a party who is under a legal disability.

(11) "Relinquish or relinquishment" means the voluntary surrender of custody of a child to the department, an agency, or prospective adoptive parents.

(12) "Individual approved by the court" or "qualified salaried court employee" means a person who has a master's degree in social work or a related field and one year of experience in social work, or a bachelor's degree and two years of experience in social work, and includes a person not having such qualifications only if the court makes specific findings of fact that are entered of record establishing that the person has reasonably equivalent experience.

(13) "Birth parent" means the biological mother or biological or alleged father of a child, including a presumed father under chapter 26.26 RCW, whether or not any such person's parent-child relationship has been terminated by a court of competent jurisdiction. "Birth parent" does not include a biological mother or biological or alleged father, including a presumed father under chapter 26.26 RCW, if the parent-child relationship was terminated because of an act for which the person was found guilty under chapter 9A.42 or 9A.44 RCW.

(14) "Nonidentifying information" includes, but is not limited to, the following information about the birth parents, adoptive parents, and adoptee:

(a) Age in years at the time of adoption;

(b) Heritage, including nationality, ethnic background, and race;

(c) Education, including number of years of school completed at the time of adoption, but not name or location of school;

(d) General physical appearance, including height, weight, color of hair, eyes, and skin, or other information of a similar nature;

(e) Religion;

(f) Occupation, but not specific titles or places of employment;

(g) Talents, hobbies, and special interests;

(h) Circumstances leading to the adoption;

(i) Medical and genetic history of birth parents;

(j) First names;

(k) Other children of birth parents by age, sex, and medical history;

(l) Extended family of birth parents by age, sex, and medical history;

(m) The fact of the death, and age and cause, if known;

(n) Photographs;

(o) Name of agency or individual that facilitated the adoption.

Sec. 320. RCW 26.33.345 and 2013 c 321 s 1 are each amended to read as follows:

(1) The department ((of social and health services)), adoption agencies, and independent adoption facilitators shall release the name and location of the court where a relinquishment of parental rights or finalization of an adoption took place to an adult adoptee, a birth parent of an adult adoptee, an adoptive parent, a birth or adoptive grandparent of an adult adoptee, or an adult sibling of an adult adoptee, or the legal guardian of any of these.

(2) The department of health shall make available a noncertified copy of the original birth certificate of a child to the child's birth parents upon request.

(3)(a) For adoptions finalized after October 1, 1993, the department of health shall provide a noncertified copy of the original birth certificate to an adoptee eighteen years of age or older upon request, unless the birth parent has filed an affidavit of nondisclosure before July 28, 2013, or a contact preference form that indicates he or she does not want the original birth certificate released: PROVIDED, That the affidavit of nondisclosure, the contact preference form, or both have not expired.

(b) For adoptions finalized on or before October 1, 1993, the department of health may not provide a noncertified copy of the original birth certificate to the adoptee until after June 30, 2014. After June 30, 2014, the department of health shall provide a noncertified copy of the original birth certificate to an adoptee eighteen years of age or older upon request, unless the birth parent has filed a contact preference form that indicates he or she does not want the original birth certificate released: PROVIDED, That the contact preference form has not expired.

(c) An affidavit of nondisclosure expires upon the death of the birth parent.

(4)(a) Regardless of whether a birth parent has filed an affidavit of nondisclosure or when the adoption was finalized, a birth parent may at any time complete a contact preference form stating his or her preference about personal contact with the adoptee, which, if available, must accompany an original birth certificate provided to an adoptee under subsection (3) of this section.

(b) The contact preference form must include the following options:

(i) I would like to be contacted. I give the department of health consent to provide the adoptee with a noncertified copy of his or her original birth certificate;

(ii) I would like to be contacted only through a confidential intermediary as described in RCW 26.33.343. I give the department of health consent to provide the adoptee with a noncertified copy of his or her original birth certificate;

(iii) I prefer not to be contacted and have completed the birth parent updated medical history form. I give the department of health consent to provide the adoptee with a noncertified copy of his or her original birth certificate; and

(iv) I prefer not to be contacted and have completed the birth parent updated medical history form. I do not want a noncertified copy of the original birth certificate released to the adoptee.

(c) If the birth parent indicates he or she prefers not to be contacted, personally identifying information on the contact preference form must be kept confidential and may not be released.

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(d) Nothing in this section precludes a birth parent from subsequently filing another contact preference form to rescind the previous contact preference form and state a different preference.

(e) A contact preference form expires upon the death of the birth parent.

(5) If a birth parent files a contact preference form, the birth parent must also file an updated medical history form with the department of health. Upon request of the adoptee, the department of health must provide the adoptee with the updated medical history form filed by the adoptee's birth parent.

(6) Both a completed contact preference form and birth parent updated medical history form are confidential and must be placed in the adoptee's sealed file.

(7) If a birth parent files a contact preference form within six months after the first time an adoptee requests a copy of his or her original birth certificate as provided in subsection (3) of this section, the department of health must forward the contact preference form and the birth parent updated medical history form to the address of the adoptee.

(8) The department of health may charge a fee not to exceed twenty dollars for providing a noncertified copy of a birth certificate to an adoptee.

(9) The department of health must create the contact preference form and an updated medical history form. The contact preference form must provide a method to ensure personally identifying information can be kept confidential. The updated medical history form may not require the birth parent to disclose any identifying information about the birth parent.

(10) If the department of health does not provide an adoptee with a noncertified copy of the original birth certificate because a valid affidavit of nondisclosure or contact preference form has been filed, the adoptee may request, no more than once per year, that the department of health attempt to determine if the birth parent is deceased. Upon request of the adoptee, the department of health must make a reasonable effort to search public records that are accessible and already available to the department of health to determine if the birth parent is deceased. The department of health to determine if the birth parent is deceased. The department of health to determine if the birth parent is deceased. The department of health may charge the adoptee a reasonable fee to cover the cost of conducting a search.

**Sec. 321.** RCW 26.44.020 and 2012 c 259 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) "Abuse or neglect" means sexual abuse, sexual exploitation, or injury of a child by any person under circumstances which cause harm to the child's health, welfare, or safety, excluding conduct permitted under RCW 9A.16.100; or the negligent treatment or maltreatment of a child by a person responsible for or providing care to the child. An abused child is a child who has been subjected to child abuse or neglect as defined in this section.

(2) "Child" or "children" means any person under the age of eighteen years of age.

(3) "Child protective services" means those services provided by the department designed to protect children from child abuse and neglect and safeguard such children from future abuse and neglect, and conduct investigations of child abuse and neglect reports. Investigations may be conducted regardless of the location of the alleged abuse or neglect. Child

protective services includes referral to services to ameliorate conditions that endanger the welfare of children, the coordination of necessary programs and services relevant to the prevention, intervention, and treatment of child abuse and neglect, and services to children to ensure that each child has a permanent home. In determining whether protective services should be provided, the department shall not decline to provide such services solely because of the child's unwillingness or developmental inability to describe the nature and severity of the abuse or neglect.

(4) "Child protective services section" means the child protective services section of the department.

(5) "Children's advocacy center" means a child-focused facility in good standing with the state chapter for children's advocacy centers and that coordinates a multidisciplinary process for the investigation, prosecution, and treatment of sexual and other types of child abuse. Children's advocacy centers provide a location for forensic interviews and coordinate access to services such as, but not limited to, medical evaluations, advocacy, therapy, and case review by multidisciplinary teams within the context of county protocols as defined in RCW 26.44.180 and 26.44.185.

(6) "Clergy" means any regularly licensed or ordained minister, priest, or rabbi of any church or religious denomination, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

(7) "Court" means the superior court of the state of Washington, juvenile department.

(8) "Department" means the ((state)) department of ((social and health services)) children, youth, and families.

(9) "Family assessment" means a comprehensive assessment of child safety, risk of subsequent child abuse or neglect, and family strengths and needs that is applied to a child abuse or neglect report. Family assessment does not include a determination as to whether child abuse or neglect occurred, but does determine the need for services to address the safety of the child and the risk of subsequent maltreatment.

(10) "Family assessment response" means a way of responding to certain reports of child abuse or neglect made under this chapter using a differential response approach to child protective services. The family assessment response shall focus on the safety of the child, the integrity and preservation of the family, and shall assess the status of the child and the family in terms of risk of abuse and neglect including the parent's or guardian's or other caretaker's capacity and willingness to protect the child and, if necessary, plan and arrange the provision of services to reduce the risk and otherwise support the family. No one is named as a perpetrator, and no investigative finding is entered in the record as a result of a family assessment.

(11) "Founded" means the determination following an investigation by the department that, based on available information, it is more likely than not that child abuse or neglect did occur.

(12) "Inconclusive" means the determination following an investigation by the department <u>of social and health services</u>, prior to October 1, 2008, that based on available information a decision cannot be made that more likely than not, child abuse or neglect did or did not occur.

(13) "Institution" means a private or public hospital or any other facility providing medical diagnosis, treatment, or care.

(14) "Law enforcement agency" means the police department, the prosecuting attorney, the state patrol, the director of public safety, or the office of the sheriff.

(15) "Malice" or "maliciously" means an intent, wish, or design to intimidate, annoy, or injure another person. Such malice may be inferred from an act done in willful disregard of the rights of another, or an act wrongfully done without just cause or excuse, or an act or omission of duty betraying a willful disregard of social duty.

(16) "Negligent treatment or maltreatment" means an act or a failure to act, or the cumulative effects of a pattern of conduct, behavior, or inaction, that evidences a serious disregard of consequences of such magnitude as to constitute a clear and present danger to a child's health, welfare, or safety, including but not limited to conduct prohibited under RCW 9A.42.100. When considering whether a clear and present danger exists, evidence of a parent's substance abuse as a contributing factor to negligent treatment or maltreatment shall be given great weight. The fact that siblings share a bedroom is not, in and of itself, negligent treatment or maltreatment. Poverty, homelessness, or exposure to domestic violence as defined in RCW 26.50.010 that is perpetrated against someone other than the child does not constitute negligent treatment or maltreatment or maltreatme

(17) "Pharmacist" means any registered pharmacist under chapter 18.64 RCW, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

(18) "Practitioner of the healing arts" or "practitioner" means a person licensed by this state to practice podiatric medicine and surgery, optometry, chiropractic, nursing, dentistry, osteopathic medicine and surgery, or medicine and surgery or to provide other health services. The term "practitioner" includes a duly accredited Christian Science practitioner. A person who is being furnished Christian Science treatment by a duly accredited Christian Science practitioner will not be considered, for that reason alone, a neglected person for the purposes of this chapter.

(19) "Professional school personnel" include, but are not limited to, teachers, counselors, administrators, child care facility personnel, and school nurses.

(20) "Psychologist" means any person licensed to practice psychology under chapter 18.83 RCW, whether acting in an individual capacity or as an employee or agent of any public or private organization or institution.

(21) "Screened-out report" means a report of alleged child abuse or neglect that the department has determined does not rise to the level of a credible report of abuse or neglect and is not referred for investigation.

(22) "Sexual exploitation" includes: (a) Allowing, permitting, or encouraging a child to engage in prostitution by any person; or (b) allowing, permitting, encouraging, or engaging in the obscene or pornographic photographing, filming, or depicting of a child by any person.

(23) "Sexually aggressive youth" means a child who is defined in RCW 74.13.075(1)(b) as being a sexually aggressive youth.

(24) "Social service counselor" means anyone engaged in a professional capacity during the regular course of employment in encouraging or promoting the health, welfare, support, or education of children, or providing social services to adults or families, including mental health, drug and alcohol treatment, and domestic violence programs, whether in an individual capacity, or as an employee or agent of any public or private organization or institution.

(25) "Supervising agency" means an agency licensed by the state under RCW 74.15.090 or an Indian tribe under RCW 74.15.190 that has entered into a performance-based contract with the department to provide child welfare services.

(26) "Unfounded" means the determination following an investigation by the department that available information indicates that, more likely than not, child abuse or neglect did not occur, or that there is insufficient evidence for the department to determine whether the alleged child abuse did or did not occur.

Sec. 322. RCW 26.44.030 and 2017 c 118 s 1 are each amended to read as follows:

(1)(a) When any practitioner, county coroner or medical examiner, law enforcement officer, professional school personnel, registered or licensed nurse, social service counselor, psychologist, pharmacist, employee of the department of ((early learning)) children, youth, and families, licensed or certified child care providers or their employees, employee of the department of social and health services, juvenile probation officer, placement and liaison specialist, responsible living skills program staff, HOPE center staff, state family and children's ombuds or any volunteer in the ombuds's office, or host home program has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(b) When any person, in his or her official supervisory capacity with a nonprofit or for-profit organization, has reasonable cause to believe that a child has suffered abuse or neglect caused by a person over whom he or she regularly exercises supervisory authority, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency, provided that the person alleged to have caused the abuse or neglect is employed by, contracted by, or volunteers with the organization and coaches, trains, educates, or counsels a child or children or regularly has unsupervised access to a child or children as part of the employment, contract, or voluntary service. No one shall be required to report under this section when he or she obtains the information solely as a result of a privileged communication as provided in RCW 5.60.060.

Nothing in this subsection (1)(b) shall limit a person's duty to report under (a) of this subsection.

For the purposes of this subsection, the following definitions apply:

(i) "Official supervisory capacity" means a position, status, or role created, recognized, or designated by any nonprofit or for-profit organization, either for financial gain or without financial gain, whose scope includes, but is not limited to, overseeing, directing, or managing another person who is employed by, contracted by, or volunteers with the nonprofit or for-profit organization.

(ii) "Organization" includes a sole proprietor, partnership, corporation, limited liability company, trust, association, financial institution, governmental entity, other than the federal government, and any other individual or group

engaged in a trade, occupation, enterprise, governmental function, charitable function, or similar activity in this state whether or not the entity is operated as a nonprofit or for-profit entity.

(iii) "Reasonable cause" means a person witnesses or receives a credible written or oral report alleging abuse, including sexual contact, or neglect of a child.

(iv) "Regularly exercises supervisory authority" means to act in his or her official supervisory capacity on an ongoing or continuing basis with regards to a particular person.

(v) "Sexual contact" has the same meaning as in RCW 9A.44.010.

(c) The reporting requirement also applies to department of corrections personnel who, in the course of their employment, observe offenders or the children with whom the offenders are in contact. If, as a result of observations or information received in the course of his or her employment, any department of corrections personnel has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report the incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(d) The reporting requirement shall also apply to any adult who has reasonable cause to believe that a child who resides with them, has suffered severe abuse, and is able or capable of making a report. For the purposes of this subsection, "severe abuse" means any of the following: Any single act of abuse that causes physical trauma of sufficient severity that, if left untreated, could cause death; any single act of sexual abuse that causes significant bleeding, deep bruising, or significant external or internal swelling; or more than one act of physical abuse, each of which causes bleeding, deep bruising, significant external or internal swelling, or unconsciousness.

(e) The reporting requirement also applies to guardians ad litem, including court-appointed special advocates, appointed under Titles 11 and 13 RCW and this title, who in the course of their representation of children in these actions have reasonable cause to believe a child has been abused or neglected.

(f) The reporting requirement in (a) of this subsection also applies to administrative and academic or athletic department employees, including student employees, of institutions of higher education, as defined in RCW 28B.10.016, and of private institutions of higher education.

(g) The report must be made at the first opportunity, but in no case longer than forty-eight hours after there is reasonable cause to believe that the child has suffered abuse or neglect. The report must include the identity of the accused if known.

(2) The reporting requirement of subsection (1) of this section does not apply to the discovery of abuse or neglect that occurred during childhood if it is discovered after the child has become an adult. However, if there is reasonable cause to believe other children are or may be at risk of abuse or neglect by the accused, the reporting requirement of subsection (1) of this section does apply.

(3) Any other person who has reasonable cause to believe that a child has suffered abuse or neglect may report such incident to the proper law enforcement agency or to the department ((of social and health services)) as provided in RCW 26.44.040.

(4) The department, upon receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means or who has been subjected to alleged sexual abuse, shall report such incident to the proper law enforcement agency, including military law enforcement, if appropriate. In emergency cases, where the child's welfare is endangered, the department shall notify the proper law enforcement agency within twenty-four hours after a report is received by the department. In all other cases, the department shall notify the law enforcement agency within seventytwo hours after a report is received by the department. If the department makes an oral report, a written report must also be made to the proper law enforcement agency within five days thereafter.

(5) Any law enforcement agency receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means, or who has been subjected to alleged sexual abuse, shall report such incident in writing as provided in RCW 26.44.040 to the proper county prosecutor or city attorney for appropriate action whenever the law enforcement agency's investigation reveals that a crime may have been committed. The law enforcement agency shall also notify the department of all reports received and the law enforcement agency's disposition of them. In emergency cases, where the child's welfare is endangered, the law enforcement agency shall notify the department within twenty-four hours. In all other cases, the law enforcement agency shall notify the department within seventy-two hours after a report is received by the law enforcement agency.

(6) Any county prosecutor or city attorney receiving a report under subsection (5) of this section shall notify the victim, any persons the victim requests, and the local office of the department, of the decision to charge or decline to charge a crime, within five days of making the decision.

(7) The department may conduct ongoing case planning and consultation with those persons or agencies required to report under this section, with consultants designated by the department, and with designated representatives of Washington Indian tribes if the client information exchanged is pertinent to cases currently receiving child protective services. Upon request, the department shall conduct such planning and consultation with those persons required to report under this section if the department determines it is in the best interests of the child. Information considered privileged by statute and not directly related to reports required by this section must not be divulged without a valid written waiver of the privilege.

(8) Any case referred to the department by a physician licensed under chapter 18.57 or 18.71 RCW on the basis of an expert medical opinion that child abuse, neglect, or sexual assault has occurred and that the child's safety will be seriously endangered if returned home, the department shall file a dependency petition unless a second licensed physician of the parents' choice believes that such expert medical opinion is incorrect. If the parents fail to designate a second physician, the department may make the selection. If a physician finds that a child has suffered abuse or neglect but that such abuse or neglect does not constitute imminent danger to the child's health or safety, and the department agrees with the physician's assessment, the child may be left in the parents' home

while the department proceeds with reasonable efforts to remedy parenting deficiencies.

(9) Persons or agencies exchanging information under subsection (7) of this section shall not further disseminate or release the information except as authorized by state or federal statute. Violation of this subsection is a misdemeanor.

(10) Upon receiving a report of alleged abuse or neglect, the department shall make reasonable efforts to learn the name, address, and telephone number of each person making a report of abuse or neglect under this section. The department shall provide assurances of appropriate confidentiality of the identification of persons reporting under this section. If the department is unable to learn the information required under this subsection, the department shall only investigate cases in which:

(a) The department believes there is a serious threat of substantial harm to the child;

(b) The report indicates conduct involving a criminal offense that has, or is about to occur, in which the child is the victim; or

(c) The department has a prior founded report of abuse or neglect with regard to a member of the household that is within three years of receipt of the referral.

(11)(a) Upon receiving a report of alleged abuse or neglect, the department shall use one of the following discrete responses to reports of child abuse or neglect that are screened in and accepted for departmental response:

(i) Investigation; or

(ii) Family assessment.

(b) In making the response in (a) of this subsection the department shall:

(i) Use a method by which to assign cases to investigation or family assessment which are based on an array of factors that may include the presence of: Imminent danger, level of risk, number of previous child abuse or neglect reports, or other presenting case characteristics, such as the type of alleged maltreatment and the age of the alleged victim. Age of the alleged victim shall not be used as the sole criterion for determining case assignment;

(ii) Allow for a change in response assignment based on new information that alters risk or safety level;

(iii) Allow families assigned to family assessment to choose to receive an investigation rather than a family assessment;

(iv) Provide a full investigation if a family refuses the initial family assessment;

(v) Provide voluntary services to families based on the results of the initial family assessment. If a family refuses voluntary services, and the department cannot identify specific facts related to risk or safety that warrant assignment to investigation under this chapter, and there is not a history of reports of child abuse or neglect related to the family, then the department must close the family assessment response case. However, if at any time the department identifies risk or safety factors that warrant an investigation under this chapter, then the family assessment response case must be reassigned to investigation;

(vi) Conduct an investigation, and not a family assessment, in response to an allegation that, the department determines based on the intake assessment:

(A) Poses a risk of "imminent harm" consistent with the definition provided in RCW 13.34.050, which includes, but is not limited to, sexual abuse and sexual exploitation as defined in this chapter;

(B) Poses a serious threat of substantial harm to a child;

(C) Constitutes conduct involving a criminal offense that has, or is about to occur, in which the child is the victim;

(D) The child is an abandoned child as defined in RCW 13.34.030;

(E) The child is an adjudicated dependent child as defined in RCW 13.34.030, or the child is in a facility that is licensed, operated, or certified for care of children by the department under chapter 74.15 RCW((<del>, or by the department of early learning</del>)).

(c) The department may not be held civilly liable for the decision to respond to an allegation of child abuse or neglect by using the family assessment response under this section unless the state or its officers, agents, or employees acted with reckless disregard.

(12)(a) For reports of alleged abuse or neglect that are accepted for investigation by the department, the investigation shall be conducted within time frames established by the department in rule. In no case shall the investigation extend longer than ninety days from the date the report is received, unless the investigation is being conducted under a written protocol pursuant to RCW 26.44.180 and a law enforcement agency or prosecuting attorney has determined that a longer investigation period is necessary. At the completion of the investigation, the department shall make a finding that the report of child abuse or neglect is founded or unfounded.

(b) If a court in a civil or criminal proceeding, considering the same facts or circumstances as are contained in the report being investigated by the department, makes a judicial finding by a preponderance of the evidence or higher that the subject of the pending investigation has abused or neglected the child, the department shall adopt the finding in its investigation.

(13) For reports of alleged abuse or neglect that are responded to through family assessment response, the department shall:

(a) Provide the family with a written explanation of the procedure for assessment of the child and the family and its purposes;

(b) Collaborate with the family to identify family strengths, resources, and service needs, and develop a service plan with the goal of reducing risk of harm to the child and improving or restoring family well-being;

(c) Complete the family assessment response within forty-five days of receiving the report; however, upon parental agreement, the family assessment response period may be extended up to ninety days;

(d) Offer services to the family in a manner that makes it clear that acceptance of the services is voluntary;

(e) Implement the family assessment response in a consistent and cooperative manner;

(f) Have the parent or guardian sign an agreement to participate in services before services are initiated that informs the parents of their rights under family assessment response, all of their options, and the options the department has if the parents do not sign the consent form.

(14)(a) In conducting an investigation or family assessment of alleged abuse or neglect, the department or law enforcement agency:

(i) May interview children. If the department determines that the response to the allegation will be family assessment response, the preferred practice is to request a parent's, guardian's, or custodian's permission to interview the child before conducting the child interview unless doing so would compromise the safety of the child or the integrity of the assessment. The interviews may be conducted on school premises, at day-care facilities, at the child's home, or at other suitable locations outside of the presence of parents. If the allegation is investigated, parental notification of the interview must occur at the earliest possible point in the investigation that will not jeopardize the safety or protection of the child or the course of the investigation. Prior to commencing the interview the department or law enforcement agency shall determine whether the child wishes a third party to be present for the interview and, if so, shall make reasonable efforts to accommodate the child's wishes. Unless the child objects, the department or law enforcement agency shall make reasonable efforts to include a third party in any interview so long as the presence of the third party will not jeopardize the course of the investigation; and

(ii) Shall have access to all relevant records of the child in the possession of mandated reporters and their employees.

(b) The Washington state school directors' association shall adopt a model policy addressing protocols when an interview, as authorized by this subsection, is conducted on school premises. In formulating its policy, the association shall consult with the department and the Washington association of sheriffs and police chiefs.

(15) If a report of alleged abuse or neglect is founded and constitutes the third founded report received by the department within the last twelve months involving the same child or family, the department shall promptly notify the office of the family and children's ombuds of the contents of the report. The department shall also notify the ombuds of the disposition of the report.

(16) In investigating and responding to allegations of child abuse and neglect, the department may conduct background checks as authorized by state and federal law.

(17)(a) The department shall maintain investigation records and conduct timely and periodic reviews of all founded cases of abuse and neglect. The department shall maintain a log of screened-out nonabusive cases.

(b) In the family assessment response, the department shall not make a finding as to whether child abuse or neglect occurred. No one shall be named as a perpetrator and no investigative finding shall be entered in the department's child abuse or neglect database.

(18) The department shall use a risk assessment process when investigating alleged child abuse and neglect referrals. The department shall present the risk factors at all hearings in which the placement of a dependent child is an issue. Substance abuse must be a risk factor.

(19) Upon receipt of a report of alleged abuse or neglect the law enforcement agency may arrange to interview the person making the report and any collateral sources to determine if any malice is involved in the reporting.

(20) Upon receiving a report of alleged abuse or neglect involving a child under the court's jurisdiction under chapter 13.34 RCW, the department shall promptly notify the child's guardian ad litem of the report's contents. The department shall also notify the guardian ad litem of the disposition of the report. For purposes of this subsection, "guardian ad litem" has the meaning provided in RCW 13.34.030.

(21) The department shall make efforts as soon as practicable to determine the military status of parents whose children are subject to abuse or neglect allegations. If the department determines that a parent or guardian is in the military, the department shall notify a department of defense family advocacy program that there is an allegation of abuse and neglect that is screened in and open for investigation that relates to that military parent or guardian.

(22) The department shall make available on its public web site a downloadable and printable poster that includes the reporting requirements included in this section. The poster must be no smaller than eight and one-half by eleven inches with all information on one side. The poster must be made available in both the English and Spanish languages. Organizations that include employees or volunteers subject to the reporting requirements of this section must clearly display this poster in a common area. At a minimum, this poster must include the following:

(a) Who is required to report child abuse and neglect;

- (b) The standard of knowledge to justify a report;
- (c) The definition of reportable crimes;
- (d) Where to report suspected child abuse and neglect; and

(e) What should be included in a report and the appropriate timing.

Sec. 323. RCW 26.44.040 and 1999 c 176 s 32 are each amended to read as follows:

An immediate oral report must be made by telephone or otherwise to the proper law enforcement agency or the department ((<del>of social and health services</del>)) and, upon request, must be followed by a report in writing. Such reports must contain the following information, if known:

(1) The name, address, and age of the child;

(2) The name and address of the child's parents, stepparents, guardians, or other persons having custody of the child;

(3) The nature and extent of the alleged injury or injuries;

(4) The nature and extent of the alleged neglect;

(5) The nature and extent of the alleged sexual abuse;

(6) Any evidence of previous injuries, including their nature and extent; and

(7) Any other information that may be helpful in establishing the cause of the child's death, injury, or injuries and the identity of the alleged perpetrator or perpetrators.

Sec. 324. RCW 26.44.050 and 2012 c 259 s 5 are each amended to read as follows:

Except as provided in RCW 26.44.030(11), upon the receipt of a report concerning the possible occurrence of abuse or neglect, the law enforcement agency or the department ((of social and health services)) 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 injured or could not be taken into custody if it were necessary to first obtain a court order pursuant to RCW

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13.34.050. The law enforcement agency or the department ((of social and health services)) 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. 325. RCW 26.44.063 and 2008 c 267 s 4 are each amended to read as follows:

(1) It is the intent of the legislature to minimize trauma to a child involved in an allegation of sexual or physical abuse. The legislature declares that removing the child from the home or the care of a parent, guardian, or legal custodian often has the effect of further traumatizing the child. It is, therefore, the legislature's intent that the alleged abuser, rather than the child, shall be removed or restrained from the child's residence and that this should be done at the earliest possible point of intervention in accordance with RCW 10.31.100, chapter 13.34 RCW, this section, and RCW 26.44.130.

(2) In any judicial proceeding in which it is alleged that a child has been subjected to sexual or physical abuse, if the court finds reasonable grounds to believe that an incident of sexual or physical abuse has occurred, the court may, on its own motion, or the motion of the guardian ad litem or other parties, issue a temporary restraining order or preliminary injunction restraining or enjoining the person accused of committing the abuse from:

(a) Molesting or disturbing the peace of the alleged victim;

(b) Entering the family home of the alleged victim except as specifically authorized by the court;

(c) Having any contact with the alleged victim, except as specifically authorized by the court;

(d) Knowingly coming within, or knowingly remaining within, a specified distance of a specified location.

(3) If the caretaker is willing, and does comply with the duties prescribed in subsection (8) of this section, uncertainty by the caretaker that the alleged abuser has in fact abused the alleged victim shall not, alone, be a basis to remove the alleged victim from the caretaker, nor shall it be considered neglect.

(4) In issuing a temporary restraining order or preliminary injunction, the court may impose any additional restrictions that the court in its discretion determines are necessary to protect the child from further abuse or emotional trauma pending final resolution of the abuse allegations.

(5) The court shall issue a temporary restraining order prohibiting a person from entering the family home if the court finds that the order would eliminate the need for an out-of-home placement to protect the child's right to nurturance, health, and safety and is sufficient to protect the child from further sexual or physical abuse or coercion.

(6) The court may issue a temporary restraining order without requiring notice to the party to be restrained or other parties only if it finds on the basis of the moving affidavit or other evidence that irreparable injury could result if an order is not issued until the time for responding has elapsed.

(7) A temporary restraining order or preliminary injunction:

(a) Does not prejudice the rights of a party or any child which are to be adjudicated at subsequent hearings in the proceeding; and

(b) May be revoked or modified.

(8) The person having physical custody of the child shall have an affirmative duty to assist in the enforcement of the restraining order including but not limited to a duty to notify the court as soon as practicable of any violation of the order, a duty to request the assistance of law enforcement officers to enforce the order, and a duty to notify the department ((of social and health services)) of any violation of the order as soon as practicable if the department is a party to the action. Failure by the custodial party to discharge these affirmative duties shall be subject to contempt proceedings.

(9) Willful violation of a court order entered under this section is a misdemeanor. A written order shall contain the court's directive and shall bear the legend: "Violation of this order with actual notice of its terms is a criminal offense under chapter 26.44 RCW, is also subject to contempt proceedings, and will subject a violator to arrest."

(10) If a restraining order issued under this section is modified or terminated, the clerk of the court shall notify the law enforcement agency specified in the order on or before the next judicial day. Upon receipt of notice that an order has been terminated, the law enforcement agency shall remove the order from any computer-based criminal intelligence system.

Sec. 326. RCW 26.44.105 and 1985 c 183 s 2 are each amended to read as follows:

Whenever a dependency petition is filed by the department ((of social and health services)), it shall advise the parents, and any child over the age of twelve who is subject to the dependency action, of their respective rights under RCW 13.34.090. The parents and the child shall be provided a copy of the dependency petition and a copy of any court orders which have been issued. This advice of rights under RCW 13.34.090 shall be in writing. The department caseworker shall also make reasonable efforts to advise the parent and child of these same rights orally.

Sec. 327. RCW 26.44.140 and 1997 c 344 s 1 are each amended to read as follows:

The court shall require that an individual who, while acting in a parental role, has physically or sexually abused a child and has been removed from the home pursuant to a court order issued in a proceeding under chapter 13.34 RCW, prior to being permitted to reside in the home where the child resides, complete the treatment and education requirements necessary to protect the child from future abuse. The court may require the individual to continue treatment as a condition for remaining in the home where the child resides. Unless a parent, custodian, or guardian has been convicted of the crime for the acts of abuse determined in a fact-finding hearing under chapter 13.34 RCW, such person shall not be required to admit guilt in order to begin to fulfill any necessary treatment and education requirements under this section.

The department ((of social and health services)) or supervising agency shall be responsible for advising the court as to appropriate treatment and education requirements, providing referrals to the individual, monitoring and assessing the individual's progress, informing the court of such progress, and providing recommendations to the court.

The person removed from the home shall pay for these services unless the person is otherwise eligible to receive financial assistance in paying for such services. Nothing in this section shall be construed to create in any person an entitlement to services or financial assistance in paying for services.

Sec. 328. RCW 43.20A.360 and 2001 c 291 s 101 are each amended to read as follows:

(1) The secretary is hereby authorized to appoint such advisory committees or councils as may be required by any federal legislation as a condition to the receipt of federal funds by the department. The secretary may appoint statewide committees or councils in the following subject areas: (a) Health facilities; (b) ((<del>children and youth services; (c)</del>)) blind services; ((<del>(d)</del>)) (<u>c</u>) medical and health care; (((e))) (d) drug abuse and alcoholism; (((f))) (e) social services; (((g))) (f) economic services; (((h))) (g) vocational services; (((i))) (h) rehabilitative services; and (i) on such other subject matters as are or come within the department's responsibilities. The statewide councils shall have representation from both major political parties and shall have substantial consumer representation. Such committees or councils shall be constituted as required by federal law or as the secretary in his or her discretion may determine. The members of the committees or councils shall hold office for three years except in the case of a vacancy, in which event appointment shall be only for the remainder of the unexpired term for which the vacancy occurs. No member shall serve more than two consecutive terms.

(2) Members of such state advisory committees or councils may be paid their travel expenses in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended.

Sec. 329. RCW 74.04.800 and 2007 c 384 s 3 are each amended to read as follows:

(1)(a) The secretary of social and health services <u>and the secretary of the</u> <u>department of children</u>, <u>youth</u>, <u>and families</u> shall review current department policies and assess the adequacy and availability of programs targeted at persons who receive services through the department who are the children and families of a person who is incarcerated in a department of corrections facility. Great attention shall be focused on programs and policies affecting foster youth who have a parent who is incarcerated.

(b) The secretary <u>of social and health services and the secretary of the</u> <u>department of children, youth, and families</u> shall adopt policies that encourage familial contact and engagement between inmates of the department of corrections facilities and their children with the goal of facilitating normal child development, while reducing recidivism and intergenerational incarceration. Programs and policies should take into consideration the children's need to maintain contact with his or her parent, the inmate's ability to develop plans to financially support their children, assist in reunification when appropriate, and encourage the improvement of parenting skills where needed. The programs and policies should also meet the needs of the child while the parent is incarcerated.

(2) The secretary <u>of social and health services and the secretary of the</u> <u>department of children, youth, and families</u> shall conduct the following activities to assist in implementing the requirements of subsection (1) of this section:

(a) Gather information and data on the recipients of public assistance, or children in the care of the state under chapter 13.34 RCW, who are the children and families of inmates incarcerated in department of corrections facilities; and

(b) Participate in the children of incarcerated parents advisory committee and report information obtained under this section to the advisory committee.

Sec. 330. RCW 26.34.030 and 1971 ex.s. c 168 s 3 are each amended to read as follows:

The "appropriate public authorities" as used in Article III of the Interstate Compact on the Placement of Children shall, with reference to this state, mean the department of ((social and health services)) children, youth, and families, and said agency shall receive and act with reference to notices required by said Article III.

Sec. 331. RCW 26.34.040 and 1971 ex.s. c 168 s 4 are each amended to read as follows:

As used in paragraph (a) of Article V of the Interstate Compact on the Placement of Children, the phrase "appropriate authority in the receiving state" with reference to this state shall mean the department of ((social and health services)) children, youth, and families.

Sec. 332. RCW 70.02.220 and 2017 c 298 s 4 are each amended to read as follows:

(1) No person may disclose or be compelled to disclose the identity of any person who has investigated, considered, or requested a test or treatment for a sexually transmitted disease, except as authorized by this section, RCW 70.02.210, or chapter 70.24 RCW.

(2) No person may disclose or be compelled to disclose information and records related to sexually transmitted diseases, except as authorized by this section, RCW 70.02.210, 70.02.--- (section 1, chapter 298, Laws of 2017), or chapter 70.24 RCW. A person may disclose information related to sexually transmitted diseases about a patient without the patient's authorization, to the extent a recipient needs to know the information, if the disclosure is to:

(a) The subject of the test or the subject's legal representative for health care decisions in accordance with RCW 7.70.065, with the exception of such a representative of a minor fourteen years of age or over and otherwise competent;

(b) The state public health officer as defined in RCW 70.24.017, a local public health officer, or the centers for disease control of the United States public health service in accordance with reporting requirements for a diagnosed case of a sexually transmitted disease;

(c) A health facility or health care provider that procures, processes, distributes, or uses: (i) A human body part, tissue, or blood from a deceased person with respect to medical information regarding that person; (ii) semen, including that was provided prior to March 23, 1988, for the purpose of artificial insemination; or (iii) blood specimens;

(d) Any state or local public health officer conducting an investigation pursuant to RCW 70.24.024, so long as the record was obtained by means of court-ordered HIV testing pursuant to RCW 70.24.340 or 70.24.024;

(e) A person allowed access to the record by a court order granted after application showing good cause therefor. In assessing good cause, the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of the order, the court, in determining the extent to which any disclosure of all or any part of the record of any such test is necessary, shall impose appropriate safeguards against unauthorized disclosure. An order authorizing disclosure must: (i) Limit disclosure to those parts of the patient's record deemed essential to fulfill the objective for which the order was granted; (ii) limit disclosure to those persons whose need for information is the basis for the order; and (iii) include any other appropriate measures to keep disclosure to a minimum for the protection of the patient, the physician-patient relationship, and the treatment services;

(f) Persons who, because of their behavioral interaction with the infected individual, have been placed at risk for acquisition of a sexually transmitted disease, as provided in RCW 70.24.022, if the health officer or authorized representative believes that the exposed person was unaware that a risk of disease exposure existed and that the disclosure of the identity of the infected person is necessary;

(g) A law enforcement officer, firefighter, health care provider, health care facility staff person, department of correction's staff person, jail staff person, or other persons as defined by the board of health in rule pursuant to RCW 70.24.340(4), who has requested a test of a person whose bodily fluids he or she has been substantially exposed to, pursuant to RCW 70.24.340(4), if a state or local public health officer performs the test;

(h) Claims management personnel employed by or associated with an insurer, health care service contractor, health maintenance organization, self-funded health plan, state administered health care claims payer, or any other payer of health care claims where such disclosure is to be used solely for the prompt and accurate evaluation and payment of medical or related claims. Information released under this subsection must be confidential and may not be released or available to persons who are not involved in handling or determining medical claims payment; and

(i) A department of ((social and health services)) children, youth, and families worker, a child placing agency worker, or a guardian ad litem who is responsible for making or reviewing placement or case-planning decisions or recommendations to the court regarding a child, who is less than fourteen years of age, has a sexually transmitted disease, and is in the custody of the department of ((social and health services)) children, youth, and families or a licensed child placing agency. This information may also be received by a person responsible for providing residential care for such a child when the department of social and health services, the department of children, youth, and families, or a licensed child placing agency determines that it is necessary for the provision of child care services.

(3) No person to whom the results of a test for a sexually transmitted disease have been disclosed pursuant to subsection (2) of this section may disclose the test results to another person except as authorized by that subsection.

(4) The release of sexually transmitted disease information regarding an offender or detained person, except as provided in subsection (2)(d) of this section, is governed as follows:

(a) The sexually transmitted disease status of a department of corrections offender who has had a mandatory test conducted pursuant to RCW 70.24.340(1), 70.24.360, or 70.24.370 must be made available by department of corrections health care providers and local public health officers to the department of corrections health care administrator or infection control

coordinator of the facility in which the offender is housed. The information made available to the health care administrator or the infection control coordinator under this subsection (4)(a) may be used only for disease prevention or control and for protection of the safety and security of the staff, offenders, and the public. The information may be submitted to transporting officers and receiving facilities, including facilities that are not under the department of corrections' jurisdiction according to the provisions of (d) and (e) of this subsection.

(b) The sexually transmitted disease status of a person detained in a jail who has had a mandatory test conducted pursuant to RCW 70.24.340(1), 70.24.360, or 70.24.370 must be made available by the local public health officer to a jail health care administrator or infection control coordinator. The information made available to a health care administrator under this subsection (4)(b) may be used only for disease prevention or control and for protection of the safety and security of the staff, offenders, detainees, and the public. The information may be submitted to transporting officers and receiving facilities according to the provisions of (d) and (e) of this subsection.

(c) Information regarding the sexually transmitted disease status of an offender or detained person is confidential and may be disclosed by a correctional health care administrator or infection control coordinator or local jail health care administrator or infection control coordinator only as necessary for disease prevention or control and for protection of the safety and security of the staff, offenders, and the public. Unauthorized disclosure of this information to any person may result in disciplinary action, in addition to the penalties prescribed in RCW 70.24.080 or any other penalties as may be prescribed by law.

(d) Notwithstanding the limitations on disclosure contained in (a), (b), and (c) of this subsection, whenever any member of a jail staff or department of corrections staff has been substantially exposed to the bodily fluids of an offender or detained person, then the results of any tests conducted pursuant to RCW 70.24.340(1), 70.24.360, or 70.24.370, must be immediately disclosed to the staff person in accordance with the Washington Administrative Code rules governing employees' occupational exposure to blood-borne pathogens. Disclosure must be accompanied by appropriate counseling for the staff member, including information regarding follow-up testing and treatment. Disclosure must also include notice that subsequent disclosure of the information in violation of this chapter or use of the information to harass or discriminate against the offender or detainee may result in disciplinary action, in addition to the penalties prescribed in RCW 70.24.080, and imposition of other penalties prescribed by law.

(e) The staff member must also be informed whether the offender or detained person had any other communicable disease, as defined in RCW 72.09.251(3), when the staff person was substantially exposed to the offender's or detainee's bodily fluids.

(f) The test results of voluntary and anonymous HIV testing or HIV-related condition, as defined in RCW 70.24.017, may not be disclosed to a staff person except as provided in this section and RCW 70.02.050(1)(d) and 70.24.340(4). A health care administrator or infection control coordinator may provide the staff

member with information about how to obtain the offender's or detainee's test results under this section and RCW 70.02.050(1)(d) and 70.24.340(4).

(5) The requirements of this section do not apply to the customary methods utilized for the exchange of medical information among health care providers in order to provide health care services to the patient, nor do they apply within health care facilities where there is a need for access to confidential medical information to fulfill professional duties.

(6) Upon request of the victim, disclosure of test results under this section to victims of sexual offenses under chapter 9A.44 RCW must be made if the result is negative or positive. The county prosecuting attorney shall notify the victim of the right to such disclosure. The disclosure must be accompanied by appropriate counseling, including information regarding follow-up testing.

(7) A person, including a health care facility or health care provider, shall disclose the identity of any person who has investigated, considered, or requested a test or treatment for a sexually transmitted disease and information and records related to sexually transmitted diseases to federal, state, or local public health authorities, to the extent the health care provider is required by law to report health care information; when needed to determine compliance with state or federal certification or registration rules or laws; or when needed to protect the public health. Any health care information obtained under this subsection is exempt from public inspection and copying pursuant to chapter 42.56 RCW.

Sec. 333. RCW 26.10.135 and 2003 c 105 s 1 are each amended to read as follows:

(1) Before granting any order regarding the custody of a child under this chapter, the court shall consult the judicial information system, if available, to determine the existence of any information and proceedings that are relevant to the placement of the child.

(2) Before entering a final order, the court shall:

(a) Direct the department of ((social and health services)) children, youth, and families to release information as provided under RCW 13.50.100; and

(b) Require the petitioner to provide the results of an examination of state and national criminal identification data provided by the Washington state patrol criminal identification system as described in chapter 43.43 RCW for the petitioner and adult members of the petitioner's household.

**Sec. 334.** RCW 26.50.150 and 2010 c 274 s 501 are each amended to read as follows:

Any program that provides domestic violence treatment to perpetrators of domestic violence must be certified by the department of ((social and health services)) children, youth, and families and meet minimum standards for domestic violence treatment purposes. The department of ((social and health services)) children, youth, and families shall adopt rules for standards of approval of domestic violence perpetrator programs. The treatment must meet the following minimum qualifications:

(1) All treatment must be based upon a full, complete clinical intake including but not limited to: Current and past violence history; a lethality risk assessment; history of treatment from past domestic violence perpetrator treatment programs; a complete diagnostic evaluation; a substance abuse assessment; criminal history; assessment of cultural issues, learning disabilities, literacy, and special language needs; and a treatment plan that adequately and appropriately addresses the treatment needs of the individual.

(2) To facilitate communication necessary for periodic safety checks and case monitoring, the program must require the perpetrator to sign the following releases:

(a) A release for the program to inform the victim and victim's community and legal advocates that the perpetrator is in treatment with the program, and to provide information, for safety purposes, to the victim and victim's community and legal advocates;

(b) A release to prior and current treatment agencies to provide information on the perpetrator to the program; and

(c) A release for the program to provide information on the perpetrator to relevant legal entities including: Lawyers, courts, parole, probation, child protective services, and child welfare services.

(3) Treatment must be for a minimum treatment period defined by the secretary of the department <u>of children, youth, and families</u> by rule. The weekly treatment sessions must be in a group unless there is a documented, clinical reason for another modality. Any other therapies, such as individual, marital, or family therapy, substance abuse evaluations or therapy, medication reviews, or psychiatric interviews, may be concomitant with the weekly group treatment sessions described in this section but not a substitute for it.

(4) The treatment must focus primarily on ending the violence, holding the perpetrator accountable for his or her violence, and changing his or her behavior. The treatment must be based on nonvictim-blaming strategies and philosophies and shall include education about the individual, family, and cultural dynamics of domestic violence. If the perpetrator or the victim has a minor child, treatment must specifically include education regarding the effects of domestic violence on children, such as the emotional impacts of domestic violence on children and the long-term consequences that exposure to incidents of domestic violence may have on children.

(5) Satisfactory completion of treatment must be contingent upon the perpetrator meeting specific criteria, defined by rule by the secretary of the department <u>of children, youth, and families</u>, and not just upon the end of a certain period of time or a certain number of sessions.

(6) The program must have policies and procedures for dealing with reoffenses and noncompliance.

(7) All evaluation and treatment services must be provided by, or under the supervision of, qualified personnel.

(8) The secretary of the department <u>of children</u>, <u>youth</u>, <u>and families</u> may adopt rules and establish fees as necessary to implement this section.

(9) The department <u>of children</u>, youth, and families may conduct on-site monitoring visits as part of its plan for certifying domestic violence perpetrator programs and monitoring implementation of the rules adopted by the secretary of the department <u>of children</u>, youth, and families to determine compliance with the minimum qualifications for domestic violence perpetrator programs. The applicant or certified domestic violence perpetrator program shall cooperate fully with the department <u>of children</u>, youth, and families in the monitoring visit and provide all program and management records requested by the department

<u>of children, youth, and families</u> to determine the program's compliance with the minimum certification qualifications and rules adopted by the department <u>of children, youth, and families</u>.

Sec. 335. RCW 26.50.160 and 2006 c 138 s 26 are each amended to read as follows:

To prevent the issuance of competing protection orders in different courts and to give courts needed information for issuance of orders, the judicial information system shall be available in each district, municipal, and superior court by July 1, 1997, and shall include a database containing the following information:

(1) The names of the parties and the cause number for every order of protection issued under this title, every sexual assault protection order issued under chapter 7.90 RCW, every criminal no-contact order issued under chapters 9A.46 and 10.99 RCW, every antiharassment order issued under chapter 10.14 RCW, every dissolution action under chapter 26.09 RCW, every third-party custody action under chapter 26.10 RCW, every parentage action under chapter 26.26 RCW, every restraining order issued on behalf of an abused child or adult dependent person under chapter 26.44 RCW, every foreign protection order filed under chapter 74.34 RCW. When a guardian or the department of social and health services <u>or department of children</u>, youth, and families has petitioned for relief on behalf of an abused child, adult dependent person, or vulnerable adult, the name of the person on whose behalf relief was sought shall be included in the database as a party rather than the guardian or <u>appropriate</u> department;

(2) A criminal history of the parties; and

(3) Other relevant information necessary to assist courts in issuing orders under this chapter as determined by the judicial information system committee.

Sec. 336. RCW 28A.150.510 and 2012 c 163 s 9 are each amended to read as follows:

(1) In order to effectively serve students who are dependent pursuant to chapter 13.34 RCW, education records shall be transmitted to the department of ((social and health services)) children, youth, and families within two school days after receiving the request from the department provided that the department certifies that it will not disclose to any other party the education records without prior written consent of the parent or student unless authorized to disclose the records under state law. The department of ((social and health services)) children, youth, and families is authorized to disclose education records it obtains pursuant to this section to a foster parent, guardian, or other entity authorized by the department to provide residential care to the student. The department is also authorized to disclose educational records it obtains pursuant to this section to those entities with which it has contracted, or with which it is formally collaborating, having responsibility for educational support services and educational outcomes of students who are dependent pursuant to chapter 13.34 RCW. The department is encouraged to put in place data-sharing agreements to assure accountability.

(2)(a) The K-12 data governance group established under RCW 28A.300.507 shall create a comprehensive needs requirement document detailing the specific information, technical capacity, and any federal and state

statutory and regulatory changes needed by school districts, the office of the superintendent of public instruction, the department of ((social and health services)) children, youth, and families, or the higher education coordinating board or its successor, to enable the provision, on at least a quarterly basis, of:

(i) Current education records of students who are dependent pursuant to chapter 13.34 RCW to the department of ((social and health services)) children, youth, and families and, from the department, to those entities with which the department has contracted, or with which it is formally collaborating, having responsibility for educational support services and educational outcomes; and

(ii) The names and contact information of students who are dependent pursuant to chapter 13.34 RCW and are thirteen years or older to the higher education coordinating board or its successor and the private agency with which it has contracted to perform outreach for the passport to college promise program under chapter 28B.117 RCW or the college bound scholarship program under chapter 28B.118 RCW.

(b) In complying with (a) of this subsection, the K-12 data governance group shall consult with: Educational support service organizations, with which the department of ((social and health services)) children, youth, and families contracts or collaborates, having responsibility for educational support services and educational outcomes of dependent students; the passport to college advisory committee; the education support service organizations under contract to perform outreach for the passport to college promise program under chapter 28B.117 RCW; the department of ((social and health services)) children, youth, and families; the office of the attorney general; the higher education coordinating board or its successor; and the office of the administrator for the courts.

(((c) By December 1, 2012, the superintendent of public instruction shall submit a report to the governor and the appropriate committees of the legislature regarding: The analysis of needs by the K 12 data governance group; a timeline for addressing those needs for which no statutory changes are necessary and that can be implemented within existing resources; and recommended options for addressing identified needs for which statutory changes, additional funding, or both, are necessary.)

Sec. 337. RCW 74.09.510 and 2013 2nd sp.s. c 10 s 6 are each amended to read as follows:

Medical assistance may be provided in accordance with eligibility requirements established by the authority, as defined in the social security Title XIX state plan for mandatory categorically needy persons and:

(1) Individuals who would be eligible for cash assistance except for their institutional status;

(2) Individuals who are under twenty-one years of age, who would be eligible for medicaid, but do not qualify as dependent children and who are in (a) foster care, (b) subsidized adoption, (c) a nursing facility or an intermediate care facility for persons with intellectual disabilities, or (d) inpatient psychiatric facilities;

(3) Individuals who:

(a) Are under twenty-one years of age;

(b) On or after July 22, 2007, were in foster care under the legal responsibility of the department of social and health services, the department of

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children, youth, and families, or a federally recognized tribe located within the state; and

(c) On their eighteenth birthday, were in foster care under the legal responsibility of the department <u>of children, youth, and families</u> or a federally recognized tribe located within the state;

(4) Persons who are aged, blind, or disabled who: (a) Receive only a state supplement, or (b) would not be eligible for cash assistance if they were not institutionalized;

(5) Categorically eligible individuals who meet the income and resource requirements of the cash assistance programs;

(6) Individuals who are enrolled in managed health care systems, who have otherwise lost eligibility for medical assistance, but who have not completed a current six-month enrollment in a managed health care system, and who are eligible for federal financial participation under Title XIX of the social security act;

(7) Children and pregnant women allowed by federal statute for whom funding is appropriated;

(8) Working individuals with disabilities authorized under section 1902(a)(10)(A)(ii) of the social security act for whom funding is appropriated;

(9) Other individuals eligible for medical services under RCW 74.09.700 for whom federal financial participation is available under Title XIX of the social security act;

(10) Persons allowed by section 1931 of the social security act for whom funding is appropriated; and

(11) Women who: (a) Are under sixty-five years of age; (b) have been screened for breast and cervical cancer under the national breast and cervical cancer early detection program administered by the department of health or tribal entity and have been identified as needing treatment for breast or cervical cancer; and (c) are not otherwise covered by health insurance. Medical assistance provided under this subsection is limited to the period during which the woman requires treatment for breast or cervical cancer, and is subject to any conditions or limitations specified in the omnibus appropriations act.

### PART IV

## TRANSFER OF CHILD WELFARE SERVICES

Sec. 401. RCW 74.13.020 and 2015 c 240 s 2 are each amended to read as follows:

((For purposes of this chapter:)) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Case management" means convening family meetings, developing, revising, and monitoring implementation of any case plan or individual service and safety plan, coordinating and monitoring services needed by the child and family, caseworker-child visits, family visits, and the assumption of court-related duties, excluding legal representation, including preparing court reports, attending judicial hearings and permanency hearings, and ensuring that the child is progressing toward permanency within state and federal mandates, including the Indian child welfare act.

(2) "Child" means:

(a) A person less than eighteen years of age; or

(b) A person age eighteen to twenty-one years who is eligible to receive the extended foster care services authorized under RCW 74.13.031.

(3) "Child protective services" has the same meaning as in RCW 26.44.020.

(4) "Child welfare services" means social services including voluntary and in-home services, out-of-home care, case management, and adoption services which strengthen, supplement, or substitute for, parental care and supervision for the purpose of:

(a) Preventing or remedying, or assisting in the solution of problems which may result in families in conflict, or the neglect, abuse, exploitation, or criminal behavior of children;

(b) Protecting and caring for dependent, abused, or neglected children;

(c) Assisting children who are in conflict with their parents, and assisting parents who are in conflict with their children, with services designed to resolve such conflicts;

(d) Protecting and promoting the welfare of children, including the strengthening of their own homes where possible, or, where needed;

(e) Providing adequate care of children away from their homes in foster family homes or day care or other child care agencies or facilities.

"Child welfare services" does not include child protection services.

(5) "Committee" means the child welfare transformation design committee.

(6) "Department" means the department of ((social and health services)) children, youth, and families.

(7) "Extended foster care services" means residential and other support services the department is authorized to provide to foster children. These services include, but are not limited to, placement in licensed, relative, or otherwise approved care, or supervised independent living settings; assistance in meeting basic needs; independent living services; medical assistance; and counseling or treatment.

(8) "Family assessment" means a comprehensive assessment of child safety, risk of subsequent child abuse or neglect, and family strengths and needs that is applied to a child abuse or neglect report. Family assessment does not include a determination as to whether child abuse or neglect occurred, but does determine the need for services to address the safety of the child and the risk of subsequent maltreatment.

(9) "Measurable effects" means a statistically significant change which occurs as a result of the service or services a supervising agency is assigned in a performance-based contract, in time periods established in the contract.

(10) "Medical condition" means, for the purposes of qualifying for extended foster care services, a physical or mental health condition as documented by any licensed health care provider regulated by a disciplining authority under RCW 18.130.040.

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

(12) "Out-of-home care services" means services provided after the shelter care hearing to or for children in out-of-home care, as that term is defined in RCW 13.34.030, and their families, including the recruitment, training, and management of foster parents, the recruitment of adoptive families, and the facilitation of the adoption process, family reunification, independent living,

emergency shelter, residential group care, and foster care, including relative placement.

(13) "Performance-based contracting" means the structuring of all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes. Contracts shall also include provisions that link the performance of the contractor to the level and timing of reimbursement.

(14) "Permanency services" means long-term services provided to secure a child's safety, permanency, and well-being, including foster care services, family reunification services, adoption services, and preparation for independent living services.

(15) "Primary prevention services" means services which are designed and delivered for the primary purpose of enhancing child and family well-being and are shown, by analysis of outcomes, to reduce the risk to the likelihood of the initial need for child welfare services.

(16) "Secretary" means the secretary of the department.

 $(\underline{17})$  "Supervised independent living" includes, but is not limited to, apartment living, room and board arrangements, college or university dormitories, and shared roommate settings. Supervised independent living settings must be approved by the children's administration or the court.

(((17))) (18) "Supervising agency" means an agency licensed by the state under RCW 74.15.090, or licensed by a federally recognized Indian tribe located in this state under RCW 74.15.190, that has entered into a performance-based contract with the department to provide case management for the delivery and documentation of child welfare services, as defined in this section. This definition is applicable on or after December 30, 2015.

(((18))) (19) "Unsupervised" has the same meaning as in RCW 43.43.830.

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

Sec. 402. RCW 74.13.025 and 1998 c 296 s 1 are each amended to read as follows:

Any county or group of counties may make application to the department ((<del>of social and health services</del>)) in the manner and form prescribed by the department to administer and provide the services established under RCW 13.32A.197. Any such application must include a plan or plans for providing such services to at-risk youth.

Sec. 403. RCW 74.13.039 and 1994 sp.s. c 7 s 501 are each amended to read as follows:

The department ((of social and health services)) shall maintain a toll-free hot line to assist parents of runaway children. The hot line shall provide parents with a complete description of their rights when dealing with their runaway child.

Sec. 404. RCW 74.13.062 and 2010 c 272 s 12 are each amended to read as follows:

(1) The department shall adopt rules consistent with federal regulations for the receipt and expenditure of federal funds and implement a subsidy program for eligible relatives appointed by the court as a guardian under RCW 13.36.050.

(2) For the purpose of licensing a relative seeking to be appointed as a guardian and eligible for a guardianship subsidy under this section, the department shall, on a case-by-case basis, and when determined to be in the best interests of the child:

(a) Waive nonsafety licensing standards; and

(b) Apply the list of disqualifying crimes in the adoption and safe families act, ((rather than the secretary's list of disqualifying crimes,)) unless doing so would compromise the child's safety, or would adversely affect the state's ability to continue to obtain federal funding for child welfare related functions.

(3) Relative guardianship subsidy agreements shall be designed to promote long-term permanency for the child, and may include provisions for periodic review of the subsidy amount and the needs of the child.

Sec. 405. RCW 74.13.1051 and 2016 c 71 s 6 are each amended to read as follows:

(1) In order to proactively support foster youth to complete high school, enroll and complete postsecondary education, and successfully implement their own plans for their futures, the department, the student achievement council, and the office of the superintendent of public instruction shall enter into, or revise existing, memoranda of understanding that:

(a) Facilitate student referral, data and information exchange, agency roles and responsibilities, and cooperation and collaboration among state agencies and nongovernmental entities; and

(b) Effectuate the transfer of responsibilities from the department ((of social and health services)) to the office of the superintendent of public instruction with respect to the programs in RCW 28A.300.592, and from the department ((of social and health services)) to the student achievement council with respect to the program in RCW 28B.77.250 in a smooth, expedient, and coordinated fashion.

(2) The student achievement council and the office of the superintendent of public instruction shall establish a set of indicators relating to the outcomes provided in RCW 28A.300.590 and 28A.300.592 to provide consistent services for youth, facilitate transitions among contractors, and support outcome-driven contracts. The student achievement council and the superintendent of public instruction shall collaborate with nongovernmental contractors and the department to develop a list of the most critical indicators, establishing a common set of indicators to be used in the outcome-driven contracts in RCW 28A.300.590 and 28A.300.592. A list of these indicators must be included in the report provided in subsection (3) of this section.

(3) By November 1, 2017, and biannually thereafter, the department, the student achievement council, and the office of the superintendent of public instruction, in consultation with the nongovernmental entities engaged in public-private partnerships shall submit a joint report to the governor and the appropriate education and human services committees of the legislature regarding each of these programs, individually, as well as the collective progress the state has made toward the following goals:

(a) To make Washington number one in the nation for foster care graduation rates;

(b) To make Washington number one in the nation for foster care enrollment in postsecondary education; and

(c) To make Washington number one in the nation for foster care postsecondary completion.

(4) The department, the student achievement council, and the office of the superintendent of public instruction, in consultation with the nongovernmental entities engaged in public-private partnerships, shall also submit one report by November 1, 2018, to the governor and the appropriate education and human service committees of the legislature regarding the transfer of responsibilities from the department ((of social and health services)) to the office of the superintendent of public instruction with respect to the programs in RCW 28A.300.592, and from the department ((of social and health services)) to the student achievement council with respect to the program in RCW 28B.77.250 and whether these transfers have resulted in better coordinated services for youth.

Sec. 406. RCW 74.13.107 and 2013 c 332 s 12 are each amended to read as follows:

(1) The child and family reinvestment account is created in the state treasury. Moneys in the account may be spent only after appropriation. Moneys in the account may be expended solely for improving outcomes related to: (a) Safely reducing entry into the foster care system and preventing reentry; (b) safely increasing reunifications; (c) achieving permanency for children unable to be reunified; and (d) improving outcomes for youth who will age out of the foster care system. Moneys may be expended for shared savings under performance-based contracts.

(2) Revenues to the child and family reinvestment account consist of: (a) Savings to the state general fund resulting from reductions in foster care caseloads and per capita costs, as calculated and transferred into the account under this section; and (b) any other public or private funds appropriated to or deposited in the account.

(3)(a) The department of ((social and health services)) children, youth, and families, in collaboration with the office of financial management and the caseload forecast council, shall develop a methodology for calculating the savings under this section. The methodology must be used for the 2013-2015 fiscal biennium, and for each biennium thereafter. The methodology must establish a baseline for calculating savings. ((In developing the methodology, the department of social and health services shall incorporate the relevant requirements of any demonstration waiver granted to the state under P.L. 112-34-.)) The savings must be based on actual caseload and per capita expenditures.

(b) The caseload and the per capita expenditures for youth in extended foster care pursuant to RCW 74.13.031 and as determined under RCW 43.88C.010(9) shall not be included in the following:

(i) The calculation of savings transferred to the account; or

(ii) The capped allocation of the demonstration waiver granted to the state under P.L. 112-34.

(c) ((By December 1, 2012, the department of social and health services shall submit the proposed methodology to the governor and the appropriate

# committees of the legislature. The methodology is deemed approved unless the legislature enacts legislation to modify or reject the methodology.

(d))) The department ((of social and health services)) shall use the methodology established in (a) of this subsection to calculate savings to the state general fund for transfer into the child and family reinvestment account in fiscal year 2014 and each fiscal year thereafter. Savings calculated by the department under this section are not subject to RCW 43.79.460. The department shall report the amount of the state general fund savings achieved to the office of financial management and the fiscal committees of the legislature at the end of each fiscal year. The office of financial management shall provide notice to the state treasurer of the amount of state general fund savings, as calculated by the department ((of social and health services)), for transfer into the child and family reinvestment account.

 $(((\stackrel{\bullet}{(\bullet)}))$  (d) Nothing in this section prohibits (i) the caseload forecast council from forecasting the foster care caseload under RCW 43.88C.010 or (ii) the department from including maintenance funding in its budget submittal for caseload costs that exceed the baseline established in (a) of this subsection.

Sec. 407. RCW 74.13.335 and 1999 c 338 s 2 are each amended to read as follows:

Within available funds and subject to such conditions and limitations as may be established by the department or by the legislature in the omnibus appropriations act, the department ((of social and health services)) shall reimburse foster parents for property damaged or destroyed by foster children placed in their care. The department shall establish by rule a maximum amount that may be reimbursed for each occurrence. The department shall reimburse the foster parent for the replacement value of any property covered by this section. If the damaged or destroyed property is covered and reimbursed under an insurance policy, the department shall reimburse foster parents for the amount of the deductible associated with the insurance claim, up to the limit per occurrence as established by the department.

Sec. 408. RCW 74.15.020 and 2017 c 39 s 11 are each amended to read as follows:

The definitions in this section apply throughout this chapter and RCW 74.13.031 unless the context clearly requires otherwise.

(1) "Agency" means any person, firm, partnership, association, corporation, or facility which receives children, expectant mothers, or persons with developmental disabilities for control, care, or maintenance outside their own homes, or which places, arranges the placement of, or assists in the placement of children, expectant mothers, or persons with developmental disabilities for foster care or placement of children for adoption, and shall include the following irrespective of whether there is compensation to the agency or to the children, expectant mothers, or persons with developmental disabilities for services rendered:

(a) "Child-placing agency" means an agency which places a child or children for temporary care, continued care, or for adoption;

(b) "Community facility" means a group care facility operated for the care of juveniles committed to the department under RCW 13.40.185. A county

detention facility that houses juveniles committed to the department under RCW 13.40.185 pursuant to a contract with the department is not a community facility;

(c) "Crisis residential center" means an agency which is a temporary protective residential facility operated to perform the duties specified in chapter 13.32A RCW, in the manner provided in RCW 43.185C.295 through 43.185C.310;

(d) "Emergency respite center" is an agency that may be commonly known as a crisis nursery, that provides emergency and crisis care for up to seventy-two hours to children who have been admitted by their parents or guardians to prevent abuse or neglect. Emergency respite centers may operate for up to twenty-four hours a day, and for up to seven days a week. Emergency respite centers may provide care for children ages birth through seventeen, and for persons eighteen through twenty with developmental disabilities who are admitted with a sibling or siblings through age seventeen. Emergency respite centers may not substitute for crisis residential centers or HOPE centers, or any other services defined under this section, and may not substitute for services which are required under chapter 13.32A or 13.34 RCW;

(e) "Foster-family home" means an agency which regularly provides care on a twenty-four hour basis to one or more children, expectant mothers, or persons with developmental disabilities in the family abode of the person or persons under whose direct care and supervision the child, expectant mother, or person with a developmental disability is placed;

(f) "Group-care facility" means an agency, other than a foster-family home, which is maintained and operated for the care of a group of children on a twentyfour hour basis;

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

(h) "Maternity service" means an agency which provides or arranges for care or services to expectant mothers, before or during confinement, or which provides care as needed to mothers and their infants after confinement;

(i) "Resource and assessment center" means an agency that provides shortterm emergency and crisis care for a period up to seventy-two hours, excluding Saturdays, Sundays, and holidays to children who have been removed from their parent's or guardian's care by child protective services or law enforcement;

(j) "Responsible living skills program" means an agency licensed by the secretary that provides residential and transitional living services to persons ages sixteen to eighteen who are dependent under chapter 13.34 RCW and who have been unable to live in his or her legally authorized residence and, as a result, the minor lived outdoors or in another unsafe location not intended for occupancy by the minor. Dependent minors ages fourteen and fifteen may be eligible if no

other placement alternative is available and the department approves the placement;

(k) "Service provider" means the entity that operates a community facility.

(2) "Agency" shall not include the following:

(a) Persons related to the child, expectant mother, or person with developmental disability in the following ways:

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

(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;

(iv) Spouses of any persons named in (a)(i), (ii), or (iii) of this subsection (2), even after the marriage is terminated;

(v) Relatives, as named in (a)(i), (ii), (iii), or (iv) of this subsection (2), of any half sibling of the child; or

(vi) Extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four-hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);

(b) Persons who are legal guardians of the child, expectant mother, or persons with developmental disabilities;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the parent and person providing care on a twentyfour-hour basis have agreed to the placement in writing and the state is not providing any payment for the care;

(d) A person, partnership, corporation, or other entity that provides placement or similar services to exchange students or international student exchange visitors or persons who have the care of an exchange student in their home;

(e) A person, partnership, corporation, or other entity that provides placement or similar services to international children who have entered the country by obtaining visas that meet the criteria for medical care as established by the United States citizenship and immigration services, or persons who have the care of such an international child in their home;

(f) Schools, including boarding schools, which are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children and do not accept custody of children;

(g) Hospitals licensed pursuant to chapter 70.41 RCW when performing functions defined in chapter 70.41 RCW, nursing homes licensed under chapter 18.51 RCW and assisted living facilities licensed under chapter 18.20 RCW;

(h) Licensed physicians or lawyers;

(i) Facilities approved and certified under chapter 71A.22 RCW;

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(j) Any agency having been in operation in this state ten years prior to June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;

(k) Persons who have a child in their home for purposes of adoption, if the child was placed in such home by a licensed child-placing agency, an authorized public or tribal agency or court or if a replacement report has been filed under chapter 26.33 RCW and the placement has been approved by the court;

(l) An agency operated by any unit of local, state, or federal government or an agency licensed by an Indian tribe pursuant to RCW 74.15.190;

(m) A maximum or medium security program for juvenile offenders operated by or under contract with the department;

(n) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;

(o) A host home program, and host home, operated by a tax exempt organization for youth not in the care of or receiving services from the department, if that program: (i) Recruits and screens potential homes in the program, including performing background checks on individuals over the age of eighteen residing in the home through the Washington state patrol or equivalent law enforcement agency and performing physical inspections of the home; (ii) screens and provides case management services to youth in the program; (iii) obtains a notarized permission slip or limited power of attorney from the parent or legal guardian of the youth authorizing the youth to participate in the program and the authorization is updated every six months when a youth remains in a host home longer than six months; (iv) obtains insurance for the program through an insurance provider authorized under Title 48 RCW; (v) provides mandatory reporter and confidentiality training; and (vi) registers with the secretary of state as provided in RCW 24.03.550. A host home is a private home that volunteers to host youth in need of temporary placement that is associated with a host home program. Any host home program that receives local, state, or government funding shall report the following information to the office of homeless youth prevention and protection programs annually by December 1st of each year: The number of children the program served, why the child was placed with a host home, and where the child went after leaving the host home, including but not limited to returning to the parents, running away, reaching the age of majority, or becoming a dependent of the state. A host home program shall not receive more than one hundred thousand dollars per year of public funding, including local, state, and federal funding. A host home shall not receive any local, state, or government funding.

(3) "Department" means the ((state)) department of ((social and health services)) children, youth, and families.

(4) "Juvenile" means a person under the age of twenty-one who has been sentenced to a term of confinement under the supervision of the department under RCW 13.40.185.

(5) "Performance-based contracts" or "contracting" means the structuring of all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes. Contracts may

also include provisions that link the performance of the contractor to the level and timing of the reimbursement.

(6) "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.

(7) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(8) "Secretary" means the secretary of ((social and health services)) the department.

(9) "Street youth" means a person under the age of eighteen who lives outdoors or in another unsafe location not intended for occupancy by the minor and who is not residing with his or her parent or at his or her legally authorized residence.

(10) "Supervising agency" means an agency licensed by the state under RCW 74.15.090 or an Indian tribe under RCW 74.15.190 that has entered into a performance-based contract with the department to provide child welfare services.

(11) "Transitional living services" means at a minimum, to the extent funds are available, the following:

(a) Educational services, including basic literacy and computational skills training, either in local alternative or public high schools or in a high school equivalency program that leads to obtaining a high school equivalency degree;

(b) Assistance and counseling related to obtaining vocational training or higher education, job readiness, job search assistance, and placement programs;

(c) Counseling and instruction in life skills such as money management, home management, consumer skills, parenting, health care, access to community resources, and transportation and housing options;

(d) Individual and group counseling; and

(e) Establishing networks with federal agencies and state and local organizations such as the United States department of labor, employment and training administration programs including the workforce innovation and opportunity act which administers private industry councils and the job corps; vocational rehabilitation; and volunteer programs.

Sec. 409. RCW 74.15.030 and 2014 c 104 s 2 are each amended to read as follows:

The secretary shall have the power and it shall be the secretary's duty:

(1) In consultation with the children's services advisory committee, and with the advice and assistance of persons representative of the various type agencies to be licensed, to designate categories of facilities for which separate or different requirements shall be developed as may be appropriate whether because of variations in the ages, sex and other characteristics of persons served, variations in the purposes and services offered or size or structure of the agencies to be licensed hereunder, or because of any other factor relevant thereto;

(2) In consultation with the children's services advisory committee, and with the advice and assistance of persons representative of the various type agencies to be licensed, to adopt and publish minimum requirements for licensing applicable to each of the various categories of agencies to be licensed.

The minimum requirements shall be limited to:

(b) Obtaining background information and any out-of-state equivalent, to determine whether the applicant or service provider is disqualified and to determine the character, competence, and suitability of an agency, the agency's employees, volunteers, and other persons associated with an agency;

(c) Conducting background checks for those who will or may have unsupervised access to children((,)) or expectant mothers((, or individuals with a developmental disability)); however, a background check is not required if a caregiver approves an activity pursuant to the prudent parent standard contained in RCW 74.13.710;

(d) Obtaining child protective services information or records maintained in the department case management information system. No unfounded allegation of child abuse or neglect as defined in RCW 26.44.020 may be disclosed to a child-placing agency, private adoption agency, or any other provider licensed under this chapter;

(e) Submitting a fingerprint-based background check through the Washington state patrol under chapter 10.97 RCW and through the federal bureau of investigation for:

(i) Agencies and their staff, volunteers, students, and interns when the agency is seeking license or relicense;

(ii) Foster care and adoption placements; and

(iii) Any adult living in a home where a child may be placed;

(f) If any adult living in the home has not resided in the state of Washington for the preceding five years, the department shall review any child abuse and neglect registries maintained by any state where the adult has resided over the preceding five years;

(g) The cost of fingerprint background check fees will be paid as required in RCW 43.43.837;

(h) National and state background information must be used solely for the purpose of determining eligibility for a license and for determining the character, suitability, and competence of those persons or agencies, excluding parents, not required to be licensed who are authorized to care for children or expectant mothers;

(i) The number of qualified persons required to render the type of care and treatment for which an agency seeks a license;

(j) The safety, cleanliness, and general adequacy of the premises to provide for the comfort, care and well-being of children((5)) or expectant mothers ((or developmentally disabled persons));

(k) The provision of necessary care, including food, clothing, supervision and discipline; physical, mental and social well-being; and educational, recreational and spiritual opportunities for those served;

(1) The financial ability of an agency to comply with minimum requirements established pursuant to <u>this</u> chapter ((74.15 RCW)) and RCW 74.13.031; and

(m) The maintenance of records pertaining to the admission, progress, health and discharge of persons served;

(3) To investigate any person, including relatives by blood or marriage except for parents, for character, suitability, and competence in the care and treatment of children((-,)) or expectant mothers((-,) and developmentally disabled

persons)) prior to authorizing that person to care for children((,)) or expectant mothers((, and developmentally disabled persons)). However, if a child is placed with a relative under RCW 13.34.065 or 13.34.130, and if such relative appears otherwise suitable and competent to provide care and treatment the criminal history background check required by this section need not be completed before placement, but shall be completed as soon as possible after placement;

(4) On reports of alleged child abuse and neglect, to investigate agencies in accordance with chapter 26.44 RCW, including child day-care centers and family day-care homes, to determine whether the alleged abuse or neglect has occurred, and whether child protective services or referral to a law enforcement agency is appropriate;

(5) To issue, revoke, or deny licenses to agencies pursuant to <u>this</u> chapter (( $\frac{74.15 \text{ RCW}}{12}$ )) and RCW 74.13.031. Licenses shall specify the category of care which an agency is authorized to render and the ages, sex and number of persons to be served;

(6) To prescribe the procedures and the form and contents of reports necessary for the administration of <u>this</u> chapter ((74.15 RCW)) and RCW 74.13.031 and to require regular reports from each licensee;

(7) To inspect agencies periodically to determine whether or not there is compliance with <u>this</u> chapter ((74.15 RCW)) and RCW 74.13.031 and the requirements adopted hereunder;

(8) To review requirements adopted hereunder at least every two years and to adopt appropriate changes after consultation with affected groups for child day-care requirements and with the children's services advisory committee for requirements for other agencies; and

(9) To consult with public and private agencies in order to help them improve their methods and facilities for the care of children((5)) or expectant mothers ((and developmentally disabled persons)).

Sec. 410. RCW 74.15.060 and 1991 c 3 s 376 are each amended to read as follows:

The secretary of health shall have the power and it shall be his or her duty:

In consultation with the children's services advisory committee and with the advice and assistance of persons representative of the various type agencies to be licensed, to develop minimum requirements pertaining to each category of agency established pursuant to chapter 74.15 RCW and RCW 74.13.031, necessary to promote the health of all persons residing therein.

The secretary of health or the city, county, or district health department designated by the secretary shall have the power and the duty:

(1) To make or cause to be made such inspections and investigations of agencies as may be deemed necessary; and

(2) To issue to applicants for licenses hereunder who comply with the requirements adopted hereunder, a certificate of compliance, a copy of which shall be presented to the department ((of social and health services)) before a license shall be issued, except that ((a provisional)) an initial license may be issued as provided in RCW 74.15.120.

Sec. 411. RCW 74.15.070 and 1979 c 141 s 358 are each amended to read as follows:

A copy of the articles of incorporation of any agency or amendments to the articles of existing corporation agencies shall be sent by the secretary of state to the department ((of social and health services)) at the time such articles or amendments are filed.

Sec. 412. RCW 74.15.080 and 1995 c 369 s 63 are each amended to read as follows:

All agencies subject to chapter 74.15 RCW and RCW 74.13.031 shall accord the department ((of social and health services)), the secretary of health, the chief of the Washington state patrol, and the director of fire protection, or their designees, the right of entrance and the privilege of access to and inspection of records for the purpose of determining whether or not there is compliance with the provisions of chapter 74.15 RCW and RCW 74.13.031 and the requirements adopted thereunder.

Sec. 413. RCW 74.15.120 and 1995 c 311 s 22 are each amended to read as follows:

The secretary ((of social and health services)) may, at his or her discretion, issue an initial license instead of a full license, to an agency or facility for a period not to exceed six months, renewable for a period not to exceed two years, to allow such agency or facility reasonable time to become eligible for full license. An initial license shall not be granted to any foster-family home except as specified in this section. An initial license may be granted to a foster-family home only if the following three conditions are met: (1) The license is limited so that the licensee is authorized to provide care only to a specific child or specific children; (2) the department has determined that the licensee, or that it would otherwise be in the child's best interest to remain or be placed in the licensee's home; and (3) the initial license is issued for a period not to exceed ninety days.

Sec. 414. RCW 74.15.134 and 1997 c 58 s 858 are each amended to read as follows:

The secretary shall immediately suspend the license or certificate of a person who has been certified pursuant to RCW 74.20A.320 by the department ((of social and health services)) as a person who is not in compliance with a support order ((or a residential or visitation order)). If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license or certificate shall be automatic upon the secretary's receipt of a release issued by the department ((of social and health services)) stating that the licensee is in compliance with the order.

Sec. 415. RCW 74.15.200 and 1987 c 489 s 5 are each amended to read as follows:

The department ((of social and health services)) shall have primary responsibility for providing child abuse and neglect prevention training to parents and licensed child day care providers of preschool age children participating in day care programs meeting the requirements of chapter 74.15 RCW. The department may limit training under this section to trainers' workshops and curriculum development using existing resources.

Sec. 416. RCW 74.15.901 and 1999 c 267 s 23 are each amended to read as follows:

(1) The department of social and health services shall seek any necessary federal waivers for federal funding of the programs created under sections 10 through 26, chapter 267, Laws of 1999. The department shall pursue federal funding sources for the programs created under sections 10 through 26, chapter 267, Laws of 1999, and report to the legislature any statutory barriers to federal funding.

(2) The department of children, youth, and families shall seek any necessary federal waivers for federal funding of the programs created under sections 10 through 26, chapter 267, Laws of 1999. The department shall pursue federal funding sources for the programs created under sections 10 through 26, chapter 267, Laws of 1999, and report to the legislature any statutory barriers to federal funding.

Sec. 417. RCW 13.32A.030 and 2013 c 4 s 1 are each amended to read as follows:

As used in this chapter the following terms have the meanings indicated unless the context clearly requires otherwise:

(1) "Abuse or neglect" means the injury, sexual abuse, sexual exploitation, negligent treatment, or maltreatment of a child by any person under circumstances that indicate the child's health, welfare, and safety is harmed, excluding conduct permitted under RCW 9A.16.100. An abused child is a child who has been subjected to child abuse or neglect as defined in this section.

(2) "Administrator" means the individual who has the daily administrative responsibility of a crisis residential center, or his or her designee.

(3) "At-risk youth" means a juvenile:

(a) Who is absent from home for at least seventy-two consecutive hours without consent of his or her parent;

(b) Who is beyond the control of his or her parent such that the child's behavior endangers the health, safety, or welfare of the child or any other person; or

(c) Who has a substance abuse problem for which there are no pending criminal charges related to the substance abuse.

(4) "Child," "juvenile," "youth," and "minor" mean any unemancipated individual who is under the chronological age of eighteen years.

(5) "Child in need of services" means a juvenile:

(a) Who is beyond the control of his or her parent such that the child's behavior endangers the health, safety, or welfare of the child or any other person;

(b) Who has been reported to law enforcement as absent without consent for at least twenty-four consecutive hours on two or more separate occasions from the home of either parent, a crisis residential center, an out-of-home placement, or a court-ordered placement; and

(i) Has exhibited a serious substance abuse problem; or

(ii) Has exhibited behaviors that create a serious risk of harm to the health, safety, or welfare of the child or any other person;

(c)(i) Who is in need of: (A) Necessary services, including food, shelter, health care, clothing, or education; or (B) services designed to maintain or reunite the family;

(ii) Who lacks access to, or has declined to use, these services; and

(iii) Whose parents have evidenced continuing but unsuccessful efforts to maintain the family structure or are unable or unwilling to continue efforts to maintain the family structure; or

(d) Who is a "sexually exploited child."

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

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

(8) "Custodian" means the person or entity that has the legal right to custody of the child.

(9) "Department" means the department of ((social and health services)) children, youth, and families.

(10) "Extended family member" means an adult who is a grandparent, brother, sister, stepbrother, stepsister, uncle, aunt, or first cousin with whom the child has a relationship and is comfortable, and who is willing and available to care for the child.

(11) "Guardian" means the person or agency that (a) has been appointed as the guardian of a child in a legal proceeding other than a proceeding under chapter 13.34 RCW, and (b) has the legal right to custody of the child pursuant to such appointment. The term "guardian" does not include a "dependency guardian" appointed pursuant to a proceeding under chapter 13.34 RCW.

(12) "Multidisciplinary team" means a group formed to provide assistance and support to a child who is an at-risk youth or a child in need of services and his or her parent. The team must include the parent, a department caseworker, a local government representative when authorized by the local government, and when appropriate, members from the mental health and substance abuse disciplines. The team may also include, but is not limited to, the following persons: Educators, law enforcement personnel, probation officers, employers, church persons, tribal members, therapists, medical personnel, social service providers, placement providers, and extended family members. The team members must be volunteers who do not receive compensation while acting in a capacity as a team member, unless the member's employer chooses to provide compensation or the member is a state employee.

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

(14) "Parent" means the parent or parents who have the legal right to custody of the child. "Parent" includes custodian or guardian.

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

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

(17) "Sexually exploited child" means any person under the age of eighteen who is a victim of the crime of commercial sex abuse of a minor under RCW 9.68A.100, promoting commercial sexual abuse of a minor under RCW 9.68A.101, or promoting travel for commercial sexual abuse of a minor under RCW 9.68A.102.

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

(19) "Temporary out-of-home placement" means an out-of-home placement of not more than fourteen days ordered by the court at a fact-finding hearing on a child in need of services petition.

Sec. 418. RCW 13.32A.178 and 2001 c 332 s 8 are each amended to read as follows:

The department ((of social and health services)) shall promulgate rules that create good cause exceptions to the establishment and enforcement of child support from parents of children in out-of-home placement under chapter 13.34 or 13.32A RCW that do not violate federal funding requirements. ((The department shall present the rules and the department's plan for implementation of the rules to the appropriate committees of the legislature prior to the 2002 legislative session.))

Sec. 419. RCW 13.36.020 and 2010 c 272 s 2 are each reenacted and amended to read as follows:

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

(1) "Child" means any individual under the age of eighteen years.

(2) "Department" means the department of ((social and health services)) children, youth, and families.

(3) "Dependent child" means a child who has been found by a court to be dependent in a proceeding under chapter 13.34 RCW.

(4) "Guardian" means a person who: (a) Has been appointed by the court as the guardian of a child in a legal proceeding under this chapter; and (b) has the legal right to custody of the child pursuant to court order. The term "guardian" does not include a "dependency guardian" appointed pursuant to a proceeding under chapter 13.34 RCW for the purpose of assisting the court in supervising the dependency.

(5) "Relative" means a person related to the child in the following ways: (a) Any blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great; (b) stepfather, stepmother, stepbrother, and stepsister; (c) a person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law; (d) spouses of any persons named in (a), (b), or (c) of this subsection, even after the marriage is terminated; (e) relatives, as named in (a), (b), (c), or (d) of this subsection, of any half sibling of the child; or (f) extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);

(6) "Suitable person" means a nonrelative with whom the child or the child's family has a preexisting relationship; who has completed all required criminal history background checks and otherwise appears to be suitable and competent to provide care for the child; and with whom the child has been placed pursuant to RCW 13.34.130.

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

### PART V

#### TRANSFER OF CHILDREN AND FAMILY SERVICES

Sec. 501. RCW 74.13A.075 and 2013 c 23 s 212 are each amended to read as follows:

As used in RCW 26.33.320 and 74.13A.005 through 74.13A.080 the following definitions shall apply:

(1) (("Secretary")) "Department" means the ((secretary of the)) department of ((social and health services or his or her designee)) children, youth, and families.

(2) (("Department")) "Secretary" means the secretary of the department ((of social and health services)).

Sec. 502. RCW 74.13A.060 and 1990 c 285 s 8 are each amended to read as follows:

The secretary may authorize the payment, from the appropriations available from the general fund, of all or part of the nonrecurring adoption expenses incurred by a prospective parent. "Nonrecurring adoption expenses" means those expenses incurred by a prospective parent in connection with the adoption of a difficult to place child including, but not limited to, attorneys' fees, court costs, and agency fees. Payment shall be made in accordance with rules adopted by the department.

((This section shall have retroactive application to January 1, 1987. For purposes of retroactive application, the secretary may provide reimbursement to any parent who adopted a difficult to place child between January 1, 1987, and one year following June 7, 1990, regardless of whether the parent had previously entered into an adoption support agreement with the department.))

Sec. 503. RCW 74.13A.085 and 1997 c 131 s 1 are each amended to read as follows:

(1) The department ((of social and health services)) shall establish, within funds appropriated for the purpose, a reconsideration program to provide

medical and counseling services through the adoption support program for children of families who apply for services after the adoption is final. Families requesting services through the program shall provide any information requested by the department for the purpose of processing the family's application for services.

(2) A child meeting the eligibility criteria for registration with the program is one who:

(a) Was residing in a preadoptive placement funded by the department or in foster care funded by the department immediately prior to the adoptive placement;

(b) Had a physical or mental handicap or emotional disturbance that existed and was documented prior to the adoption or was at high risk of future physical or mental handicap or emotional disturbance as a result of conditions exposed to prior to the adoption; and

(c) Resides in the state of Washington with an adoptive parent who lacks the necessary financial means to care for the child's special need.

(3) If a family is accepted for registration and meets the criteria in subsection (2) of this section, the department may enter into an agreement for services. Prior to entering into an agreement for services through the program, the medical needs of the child must be reviewed and approved by the department.

(4) Any services provided pursuant to an agreement between a family and the department shall be met from the department's medical program. Such services shall be limited to:

(a) Services provided after finalization of an agreement between a family and the department pursuant to this section;

(b) Services not covered by the family's insurance or other available assistance; and

(c) Services related to the eligible child's identified physical or mental handicap or emotional disturbance that existed prior to the adoption.

(5) Any payment by the department for services provided pursuant to an agreement shall be made directly to the physician or provider of services according to the department's established procedures.

(6) The total costs payable by the department for services provided pursuant to an agreement shall not exceed twenty thousand dollars per child.

Sec. 504. RCW 74.13B.005 and 2012 c 205 s 1 are each amended to read as follows:

(1) The legislature finds that:

(a) The state of Washington and several Indian tribes in the state of Washington assume legal responsibility for abused or neglected children when their parents or caregivers are unable or unwilling to adequately provide for their safety, health, and welfare;

(b) Washington state has a strong history of partnership between the department ((of social and health services)) and contracted service providers who currently serve children and families in the child welfare system. The department and its contracted service providers have responsibility for providing services to address parenting deficiencies resulting in child maltreatment, and the needs of children impacted by maltreatment;

(c) Department caseworkers and contracted service providers each play a critical and complementary role in the child welfare system;

(d) The current system of contracting for services needed by children and families in the child welfare system is fragmented, inflexible, and lacks incentives for improving outcomes for children and families.

(2) The legislature intends:

(a) To reform the delivery of certain services to children and families in the child welfare system by creating a flexible, accountable community-based system of care that utilizes performance-based contracting, maximizes the use of evidence-based, research-based, and promising practices, and expands the capacity of community-based agencies to leverage local funding and other resources to benefit children and families served by the department;

(b) To achieve improved child safety, child permanency, including reunification, and child well-being outcomes through the collaborative efforts of the department and contracted service providers and the prioritization of these goals in performance-based contracting; and

(c) To implement performance-based contracting under chapter 205, Laws of 2012 in a manner that supports and complies with the federal and Washington state Indian child welfare act.

**Sec. 505.** RCW 74.13B.010 and 2012 c 205 s 2 are each amended to read as follows:

For purposes of this chapter:

(1) "Case management" means convening family meetings, developing, revising, and monitoring implementation of any case plan or individual service and safety plan, coordinating and monitoring services needed by the child and family, caseworker-child visits, family visits, and the assumption of court-related duties, excluding legal representation, including preparing court reports, attending judicial hearings and permanency hearings, and ensuring that the child is progressing toward permanency within state and federal mandates, including the Indian child welfare act.

(2) "Child" means:

(a) A person less than eighteen years of age; or

(b) A person age eighteen to twenty-one years who is eligible to receive the extended foster care services authorized under RCW 74.13.031.

(3) "Child-placing agency" has the same meaning as in RCW 74.15.020.

(4) "Child welfare services" means social services including voluntary and in-home services, out-of-home care, case management, and adoption services which strengthen, supplement, or substitute for, parental care and supervision for the purpose of:

(a) Preventing or remedying, or assisting in the solution of problems which may result in families in conflict, or the neglect, abuse, exploitation, or criminal behavior of children;

(b) Protecting and caring for dependent, abused, or neglected children;

(c) Assisting children who are in conflict with their parents, and assisting parents who are in conflict with their children, with services designed to resolve such conflicts;

(d) Protecting and promoting the welfare of children, including the strengthening of their own homes where possible, or, where needed;

(e) Providing adequate care of children away from their homes in foster family homes or day care or other child care agencies or facilities.

(5) "Department" means the department of ((social and health services)) children, youth, and families.

(6) "Evidence-based" means a program or practice that is cost-effective and includes at least two randomized or statistically controlled evaluations that have demonstrated improved outcomes for its intended population.

(7) "Network administrator" means an entity that contracts with the department to provide defined services to children and families in the child welfare system through its provider network, as provided in RCW 74.13B.020.

(8) "Performance-based contracting" means structuring all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes and linking payment for services to contractor performance.

(9) "Promising practice" means a practice that presents, based upon preliminary information, potential for becoming a research-based or consensus-based practice.

(10) "Provider network" means those service providers who contract with a network administrator to provide services to children and families in the geographic area served by the network administrator.

(11) "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.

**Sec. 506.** RCW 74.14B.010 and 2013 c 254 s 5 are each amended to read as follows:

(1) Caseworkers employed in children services shall meet minimum standards established by the department ((of social and health services)). Comprehensive training for caseworkers shall be completed before such caseworkers are assigned to case-carrying responsibilities without direct supervision. Intermittent, part-time, and standby workers shall be subject to the same minimum standards and training.

(2) Ongoing specialized training shall be provided for persons responsible for investigating child sexual abuse. Training participants shall have the opportunity to practice interview skills and receive feedback from instructors.

(3) The department, the criminal justice training commission, the Washington association of sheriffs and police chiefs, and the Washington association of prosecuting attorneys shall design and implement statewide training that contains consistent elements for persons engaged in the interviewing of children, including law enforcement, prosecution, and child protective services.

(4) The training shall: (a) Be based on research-based practices and standards; (b) minimize the trauma of all persons who are interviewed during abuse investigations; (c) provide methods of reducing the number of investigative interviews necessary whenever possible; (d) assure, to the extent possible, that investigative interviews are thorough, objective, and complete; (e) recognize needs of special populations, such as persons with developmental disabilities; (f) recognize the nature and consequences of victimization; (g) require investigative interviews to be conducted in a manner most likely to

permit the interviewed persons the maximum emotional comfort under the circumstances; (h) address record retention and retrieval; and (i) documentation of investigative interviews.

(5) The identification of domestic violence is critical in ensuring the safety of children in the child welfare system. As a result, ongoing domestic violence training and consultation shall be provided to caseworkers, including how to use the children's administration's practice guide to domestic violence.

Sec. 507. RCW 74.14B.050 and 1987 c 503 s 14 are each amended to read as follows:

The department ((of social and health services)) shall inform victims of child abuse and neglect and their families of the availability of state-supported counseling through the crime victims' compensation program, community mental health centers, domestic violence and sexual assault programs, and other related programs. The department shall assist victims with referrals to these services.

Sec. 508. RCW 74.14B.070 and 1990 c 3 s 1403 are each amended to read as follows:

The department ((of social and health services through its division of ehildren and family services)) shall, subject to available funds, establish a system of early identification and referral to treatment of child victims of sexual assault or sexual abuse. The system shall include schools, physicians, sexual assault centers, domestic violence centers, child protective services, and foster parents. A mechanism shall be developed to identify communities that have experienced success in this area and share their expertise and methodology with other communities statewide.

Sec. 509. RCW 74.14B.080 and 1991 c 283 s 2 are each amended to read as follows:

(1) Subject to subsection (2) of this section, the secretary ((of social and health services)) shall provide liability insurance to foster parents licensed under chapter 74.15 RCW. The coverage shall be for personal injury and property damage caused by foster parents or foster children that occurred while the children were in foster care. Such insurance shall cover acts of ordinary negligence but shall not cover illegal conduct or bad faith acts taken by foster parents in providing foster care. Moneys paid from liability insurance for any claim are limited to the amount by which the claim exceeds the amount available to the claimant from any valid and collectible liability insurance.

(2) The secretary ((of social and health services)) may purchase the insurance required in subsection (1) of this section or may choose a self-insurance method. The total moneys expended pursuant to this authorization shall not exceed five hundred thousand dollars per biennium. If the secretary elects a method of self-insurance, the expenditure shall include all administrative and staff costs. If the secretary elects a method of self-insurance, he or she may, by rule, place a limit on the maximum amount to be paid on each claim.

(3) Nothing in this section or RCW 4.24.590 is intended to modify the foster parent reimbursement plan in place on July 1, 1991.

(4) The liability insurance program shall be available by July 1, 1991.

Sec. 510. RCW 74.14C.005 and 1995 c 311 s 1 are each amended to read as follows:

(1) The legislature believes that protecting the health and safety of children is paramount. The legislature recognizes that the number of children entering out-of-home care is increasing and that a number of children receive long-term foster care protection. Reasonable efforts by the department to shorten out-ofhome placement or avoid it altogether should be a major focus of the child welfare system. It is intended that providing up-front services decrease the number of children entering out-of-home care and have the effect of eventually lowering foster care expenditures and strengthening the family unit.

Within available funds, the legislature directs the department to focus child welfare services on protecting the child, strengthening families and, to the extent possible, providing necessary services in the family setting, while drawing upon the strengths of the family. The legislature intends services be locally based and offered as early as possible to avoid disruption to the family, out-of-home placement of the child, and entry into the dependency system. The legislature also intends that these services be used for those families whose children are returning to the home from out-of-home care. These services are known as family preservation services and intensive family preservation services and are characterized by the following values, beliefs, and goals:

(a) Safety of the child is always the first concern;

(b) Children need their families and should be raised by their own families whenever possible;

(c) Interventions should focus on family strengths and be responsive to the individual family's cultural values and needs;

(d) Participation should be voluntary; and

(e) Improvement of family functioning is essential in order to promote the child's health, safety, and welfare and thereby allow the family to remain intact and allow children to remain at home.

(2) Subject to the availability of funds for such purposes, the legislature intends for these services to be made available to all eligible families on a statewide basis through a phased-in process. Except as otherwise specified by statute, the department ((of social and health services)) shall have the authority and discretion to implement and expand these services as provided in ((this chapter)) RCW 74.14C.010 through 74.14C.100. The department shall consult with the community public health and safety networks when assessing a community's resources and need for services.

(3) It is the legislature's intent that, within available funds, the department develop services in accordance with ((this chapter)) <u>RCW 74.14C.010 through</u> 74.14C.100.

(4) Nothing in ((this chapter)) <u>RCW 74.14C.010 through 74.14C.100</u> shall be construed to create an entitlement to services nor to create judicial authority to order the provision of preservation services to any person or family if the services are unavailable or unsuitable or that the child or family are not eligible for such services.

Sec. 511. RCW 74.14C.010 and 1996 c 240 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Department" means the department of ((social and health services)) children, youth, and families.

(2) "Community support systems" means the support that may be organized through extended family members, friends, neighbors, religious organizations, community programs, cultural and ethnic organizations, or other support groups or organizations.

(3) "Family preservation services" means in-home or community-based services drawing on the strengths of the family and its individual members while addressing family needs to strengthen and keep the family together where possible and may include:

(a) Respite care of children to provide temporary relief for parents and other caregivers;

(b) Services designed to improve parenting skills with respect to such matters as child development, family budgeting, coping with stress, health, safety, and nutrition; and

(c) Services designed to promote the well-being of children and families, increase the strength and stability of families, increase parents' confidence and competence in their parenting abilities, promote a safe, stable, and supportive family environment for children, and otherwise enhance children's development.

Family preservation services shall have the characteristics delineated in RCW 74.14C.020 (2) and (3).

(4) "Imminent" means a decision has been made by the department that, without intensive family preservation services, a petition requesting the removal of a child from the family home will be immediately filed under chapter 13.32A or 13.34 RCW, or that a voluntary placement agreement will be immediately initiated.

(5) "Intensive family preservation services" means community-based services that are delivered primarily in the home, that follow intensive service models with demonstrated effectiveness in reducing or avoiding the need for unnecessary imminent out-of-home placement, and that have all of the characteristics delineated in RCW 74.14C.020 (1) and (3).

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

(7) "Paraprofessional worker" means any individual who is trained and qualified to provide assistance and community support systems development to families and who acts under the supervision of a preservation services therapist. The paraprofessional worker is not intended to replace the role and responsibilities of the preservation services therapist.

(8) "Preservation services" means family preservation services and intensive family preservation services that consider the individual family's cultural values and needs.

(9) "Secretary" means the secretary of the department.

Sec. 512. RCW 74.14C.070 and 2003 c 207 s 3 are each amended to read as follows:

The secretary (( $\overline{of social}$  and health services,)) or the secretary's (( $\overline{regional}$ )) designee(( $\overline{,}$ )) may transfer funds appropriated for foster care services to purchase preservation services and other preventive services for children at imminent risk of out-of-home placement or who face a substantial likelihood of out-of-home placement. This transfer may be made in those regions that lower foster care

expenditures through efficient use of preservation services and permanency planning efforts. The transfer shall be equivalent to the amount of reduced foster care expenditures and shall be made in accordance with the provisions of this chapter and with the approval of the office of financial management. The department shall present an annual report to the legislature regarding any transfers under this section only if transfers occur. The department shall include caseload, expenditure, cost avoidance, identified improvements to the out-ofhome care system, and outcome data related to the transfer in the report. The department shall also include in the report information regarding:

(1) The percent of cases where a child is placed in out-of-home care after the provision of intensive family preservation services or family preservation services;

(2) The average length of time before the child is placed out-of-home;

(3) The average length of time the child is placed out-of-home; and

(4) The number of families that refused the offer of either family preservation services or intensive family preservation services.

Sec. 513. RCW 74.14C.090 and 1995 c 311 s 8 are each amended to read as follows:

Each department caseworker who refers a client for preservation services shall file a report with his or her direct supervisor stating the reasons for which the client was referred. The caseworker's supervisor shall verify in writing his or her belief that the family who is the subject of a referral for preservation services meets the eligibility criteria for services as provided in this chapter. The direct supervisor shall report monthly to the regional administrator on the provision of these services. The regional administrator shall report to the ((assistant)) secretary quarterly on the provision of these services for the entire region. The ((assistant)) secretary shall ((make)) post on the department's web site a semiannual report ((to the secretary)) on the provision of these services on a statewide basis.

## PART VI

## TRANSFER OF JUVENILE JUSTICE

Sec. 601. RCW 13.04.011 and 2017 c 276 s 1 are each amended to read as follows:

For purposes of this title:

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

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

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

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

(5) "Parent" or "parents," except as used in chapter 13.34 RCW, means that parent or parents who have the right of legal custody of the child;

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

(7) "Department" means the department of children, youth, and families.

(1) Except as provided in this section, the juvenile courts in this state shall have exclusive original jurisdiction over all proceedings:

(a) Under the interstate compact on placement of children as provided in chapter 26.34 RCW;

(b) Relating to children alleged or found to be dependent as provided in chapter 26.44 RCW and in RCW 13.34.030 through 13.34.161;

(c) Relating to the termination of a parent and child relationship as provided in RCW 13.34.180 through 13.34.210;

(d) To approve or disapprove out-of-home placement as provided in RCW 13.32A.170;

(e) Relating to juveniles alleged or found to have committed offenses, traffic or civil infractions, or violations as provided in RCW 13.40.020 through 13.40.230, unless:

(i) The juvenile court transfers jurisdiction of a particular juvenile to adult criminal court pursuant to RCW 13.40.110;

(ii) The statute of limitations applicable to adult prosecution for the offense, traffic or civil infraction, or violation has expired;

(iii) The alleged offense or infraction is a traffic, fish, boating, or game offense, or traffic or civil infraction committed by a juvenile sixteen years of age or older and would, if committed by an adult, be tried or heard in a court of limited jurisdiction, in which instance the appropriate court of limited jurisdiction shall have jurisdiction over the alleged offense or infraction, and no guardian ad litem is required in any such proceeding due to the juvenile's age. If such an alleged offense or infraction and an alleged offense or infraction subject to juvenile court jurisdiction arise out of the same event or incident, the juvenile court may have jurisdiction of both matters. The jurisdiction under this subsection does not constitute "transfer" or a "decline" for purposes of RCW 13.40.110 (1) or (2) or (e)(i) of this subsection. Courts of limited jurisdiction which confine juveniles for an alleged offense or infraction may place juveniles in juvenile detention facilities under an agreement with the officials responsible for the administration of the juvenile detention facility in RCW 13.04.035 and 13.20.060;

(iv) The alleged offense is a traffic or civil infraction, a violation of compulsory school attendance provisions under chapter 28A.225 RCW, or a misdemeanor, and a court of limited jurisdiction has assumed concurrent jurisdiction over those offenses as provided in RCW 13.04.0301; or

(v) The juvenile is sixteen or seventeen years old on the date the alleged offense is committed and the alleged offense is:

(A) A serious violent offense as defined in RCW 9.94A.030;

(B) A violent offense as defined in RCW 9.94A.030 and the juvenile has a criminal history consisting of: (I) One or more prior serious violent offenses; (II) two or more prior violent offenses; or (III) three or more of any combination of the following offenses: Any class A felony, any class B felony, vehicular assault, or manslaughter in the second degree, all of which must have been committed after the juvenile's thirteenth birthday and prosecuted separately;

(C) Robbery in the first degree, rape of a child in the first degree, or driveby shooting, committed on or after July 1, 1997; (D) Burglary in the first degree committed on or after July 1, 1997, and the juvenile has a criminal history consisting of one or more prior felony or misdemeanor offenses; or

(E) Any violent offense as defined in RCW 9.94A.030 committed on or after July 1, 1997, and the juvenile is alleged to have been armed with a firearm.

(I) In such a case the adult criminal court shall have exclusive original jurisdiction, except as provided in (e)(v)(E)(II) and (III) of this subsection.

(II) The juvenile court shall have exclusive jurisdiction over the disposition of any remaining charges in any case in which the juvenile is found not guilty in the adult criminal court of the charge or charges for which he or she was transferred, or is convicted in the adult criminal court of a lesser included offense that is not also an offense listed in (e)(v) of this subsection. The juvenile court shall enter an order extending juvenile court jurisdiction if the juvenile has turned eighteen years of age during the adult criminal court proceedings pursuant to RCW 13.40.300. However, once the case is returned to juvenile court, the court may hold a decline hearing pursuant to RCW 13.40.110 to determine whether to retain the case in juvenile court for the purpose of disposition or return the case to adult criminal court for sentencing.

(III) The prosecutor and respondent may agree to juvenile court jurisdiction and waive application of exclusive adult criminal jurisdiction in (e)(v)(A)through (E) of this subsection and remove the proceeding back to juvenile court with the court's approval.

If the juvenile challenges the state's determination of the juvenile's criminal history under (e)(v) of this subsection, the state may establish the offender's criminal history by a preponderance of the evidence. If the criminal history consists of adjudications entered upon a plea of guilty, the state shall not bear a burden of establishing the knowing and voluntariness of the plea;

(f) Under the interstate compact on juveniles as provided in chapter 13.24 RCW;

(g) Relating to termination of a diversion agreement under RCW 13.40.080, including a proceeding in which the divertee has attained eighteen years of age;

(h) Relating to court validation of a voluntary consent to an out-of-home placement under chapter 13.34 RCW, by the parent or Indian custodian of an Indian child, except if the parent or Indian custodian and child are residents of or domiciled within the boundaries of a federally recognized Indian reservation over which the tribe exercises exclusive jurisdiction;

(i) Relating to petitions to compel disclosure of information filed by the department of social and health services pursuant to RCW 74.13.042; and

(j) Relating to judicial determinations and permanency planning hearings involving developmentally disabled children who have been placed in out-ofhome care pursuant to a voluntary placement agreement between the child's parent, guardian, or legal custodian and the department of social and health services <u>and the department of children</u>, youth, and families.

(2) The family court shall have concurrent original jurisdiction with the juvenile court over all proceedings under this section if the superior court judges of a county authorize concurrent jurisdiction as provided in RCW 26.12.010.

(3) The juvenile court shall have concurrent original jurisdiction with the family court over child custody proceedings under chapter 26.10 RCW and

parenting plans or residential schedules under chapters 26.09 and 26.26 RCW as provided for in RCW 13.34.155.

(4) A juvenile subject to adult superior court jurisdiction under subsection (1)(e)(i) through (v) of this section, who is detained pending trial, may be detained in a detention facility as defined in RCW 13.40.020 pending sentencing or a dismissal.

Sec. 603. RCW 13.04.116 and 1987 c 462 s 1 are each amended to read as follows:

(1) A juvenile shall not be confined in a jail or holding facility for adults, except:

(a) For a period not exceeding twenty-four hours excluding weekends and holidays and only for the purpose of an initial court appearance in a county where no juvenile detention facility is available, a juvenile may be held in an adult facility provided that the confinement is separate from the sight and sound of adult inmates; or

(b) For not more than six hours and pursuant to a lawful detention in the course of an investigation, a juvenile may be held in an adult facility provided that the confinement is separate from the sight and sound of adult inmates.

(2) For purposes of this section a juvenile is an individual under the chronological age of eighteen years who has not been transferred previously to adult courts.

(3) The department ((of social and health services)) shall monitor and enforce compliance with this section.

(4) This section shall not be construed to expand or limit the authority to lawfully detain juveniles.

Sec. 604. RCW 13.04.145 and 2014 c 157 s 5 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 ((social and health services)) 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.

**Sec. 605.** RCW 13.40.020 and 2016 c 136 s 2 and 2016 c 106 s 1 are each reenacted and 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 cooccurring disorders have been identified in an assessment by a qualified mental health professional, psychologist, psychiatrist, or chemical dependency 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) "Confinement" means physical custody by the department of ((social and health services)) 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) "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) "Department" means the department of ((social and health services)) children, youth, and families;

(10) "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) "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 except a law enforcement official or 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) "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) "Institution" means a juvenile facility established pursuant to chapters 72.05 and 72.16 through 72.20 RCW;

(14) "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) "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) "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) "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) "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) "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) "Monitoring and reporting requirements" means one or more of the following: Curfews; requirements to remain at home, school, work, or courtordered 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) "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) "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

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

(26) "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) "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) "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) "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) "Secretary" means the secretary of the department ((of social and health services. "Assistant secretary" means the assistant secretary for juvenile rehabilitation for the department));

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

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

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

Sec. 606. RCW 13.40.040 and 2002 c 171 s 2 are each amended to read as follows:

(1) A juvenile may be taken into custody:

(a) Pursuant to a court order if a complaint is filed with the court alleging, and the court finds probable cause to believe, that the juvenile has committed an offense or has violated terms of a disposition order or release order; or

(b) Without a court order, by a law enforcement officer if grounds exist for the arrest of an adult in identical circumstances. Admission to, and continued custody in, a court detention facility shall be governed by subsection (2) of this section; or

(c) Pursuant to a court order that the juvenile be held as a material witness; or

(d) Where the secretary or the secretary's designee has suspended the parole of a juvenile offender.

(2) A juvenile may not be held in detention unless there is probable cause to believe that:

(a) The juvenile has committed an offense or has violated the terms of a disposition order; and

(i) The juvenile will likely fail to appear for further proceedings; or

(ii) Detention is required to protect the juvenile from himself or herself; or

(iii) The juvenile is a threat to community safety; or

(iv) The juvenile will intimidate witnesses or otherwise unlawfully interfere with the administration of justice; or

(v) The juvenile has committed a crime while another case was pending; or

(c) The juvenile's parole has been suspended or modified; or

(d) The juvenile is a material witness.

(3) Notwithstanding subsection (2) of this section, and within available funds, a juvenile who has been found guilty of one of the following offenses shall be detained pending disposition: Rape in the first or second degree (RCW 9A.44.040 and 9A.44.050); or rape of a child in the first degree (RCW 9A.44.073).

(4) Upon a finding that members of the community have threatened the health of a juvenile taken into custody, at the juvenile's request the court may order continued detention pending further order of the court.

(5) Except as provided in RCW 9.41.280, a juvenile detained under this section may be released upon posting a probation bond set by the court. The juvenile's parent or guardian may sign for the probation bond. A court authorizing such a release shall issue an order containing a statement of conditions imposed upon the juvenile and shall set the date of his or her next court appearance. The court shall advise the juvenile of any conditions specified in the order and may at any time amend such an order in order to impose additional or different conditions of release upon the juvenile or to return the juvenile to custody for failing to conform to the conditions imposed. In addition to requiring the juvenile to appear at the next court date, the court may condition the probation bond on the juvenile's compliance with conditions of release. The juvenile's parent or guardian may notify the court that the juvenile has failed to conform to the conditions of release or the provisions in the probation bond. If the parent notifies the court of the juvenile's failure to comply with the probation bond, the court shall notify the surety. As provided in the terms of the bond, the surety shall provide notice to the court of the offender's noncompliance. A juvenile may be released only to a responsible adult or the department of ((social and health services)) children, youth, and families. Failure to appear on the date scheduled by the court pursuant to this section shall constitute the crime of bail jumping.

Sec. 607. RCW 13.40.045 and 1997 c 338 s 14 are each amended to read as follows:

The secretary((<del>, assistant secretary,</del>)) or the secretary's designee shall issue arrest warrants for juveniles who escape from department residential custody. The secretary((<del>, assistant secretary,</del>)) or the secretary's designee may issue arrest warrants for juveniles who abscond from parole supervision or fail to meet conditions of parole. These arrest warrants shall authorize any law enforcement, probation and parole, or peace officer of this state, or any other state where the juvenile is located, to arrest the juvenile and to place the juvenile in physical custody pending the juvenile's return to confinement in a state juvenile rehabilitation facility.

Sec. 608. RCW 13.40.185 and 1994 sp.s. c 7 s 524 are each amended to read as follows:

(1) Any term of confinement imposed for an offense which exceeds thirty days shall be served under the supervision of the department. If the period of confinement imposed for more than one offense exceeds thirty days but the term imposed for each offense is less than thirty days, the confinement may, in the discretion of the court, be served in a juvenile facility operated by or pursuant to a contract with the state or a county.

(2) Whenever a juvenile is confined in a detention facility or is committed to the department, the court may not directly order a juvenile into a particular county or state facility. The juvenile court administrator and the secretary((, assistant secretary,)) or the secretary's designee, as appropriate, has the sole discretion to determine in which facility a juvenile should be confined or committed. The counties may operate a variety of detention facilities as determined by the county legislative authority subject to available funds.

Sec. 609. RCW 13.40.210 and 2014 c 117 s 3 are each amended to read as follows:

(1) The secretary shall set a release date for each juvenile committed to its custody. The release date shall be within the prescribed range to which a juvenile has been committed under RCW 13.40.0357 or 13.40.030 except as provided in RCW 13.40.320 concerning offenders the department determines are eligible for the juvenile offender basic training camp program. Such dates shall be determined prior to the expiration of sixty percent of a juvenile's minimum term of confinement included within the prescribed range to which the juvenile has been committed. The secretary shall release any juvenile committed to the custody of the department within four calendar days prior to the juvenile's release date or on the release date set under this chapter. Days spent in the custody of the department shall be tolled by any period of time during which a juvenile has absented himself or herself from the department's supervision without the prior approval of the secretary or the secretary's designee.

(2) The secretary shall monitor the average daily population of the state's juvenile residential facilities. When the secretary concludes that in-residence population of residential facilities exceeds one hundred five percent of the rated bed capacity specified in statute, or in absence of such specification, as specified by the department in rule, the secretary may recommend reductions to the governor. On certification by the governor that the recommended reductions are necessary, the secretary has authority to administratively release a sufficient number of offenders to reduce in-residence population to one hundred percent of rated bed capacity. The secretary shall release those offenders who have served the greatest proportion of their sentence. However, the secretary may deny release in a particular case at the request of an offender, or if the secretary finds that there is no responsible custodian, as determined by the department, to whom to release the offender, or if the release of the offender would pose a clear danger to society. The department shall notify the committing court of the release at the time of release if any such early releases have occurred as a result of excessive in-residence population. In no event shall an offender adjudicated of a violent offense be granted release under the provisions of this subsection.

(3)(a) Following the release of any juvenile under subsection (1) of this section, the secretary may require the juvenile to comply with a program of parole to be administered by the department in his or her community which shall last no longer than eighteen months, except that in the case of a juvenile sentenced for rape in the first or second degree, rape of a child in the first or second degree, child molestation in the first degree, or indecent liberties with forcible compulsion, the period of parole shall be twenty-four months and, in the discretion of the secretary, may be up to thirty-six months when the secretary

finds that an additional period of parole is necessary and appropriate in the interests of public safety or to meet the ongoing needs of the juvenile. A parole program is mandatory for offenders released under subsection (2) of this section and for offenders who receive a juvenile residential commitment sentence for theft of a motor vehicle, possession of a stolen motor vehicle, or taking a motor vehicle without permission 1. A juvenile adjudicated for unlawful possession of a firearm, possession of a stolen firearm, theft of a firearm, or drive-by shooting may participate in aggression replacement training, functional family therapy, or functional family parole aftercare if the juvenile meets eligibility requirements for these services. The decision to place an offender in an evidence-based parole program shall be based on an assessment by the department of the offender's risk for reoffending upon release and an assessment of the ongoing treatment needs of the juvenile. The department shall prioritize available parole resources to provide supervision and services to offenders at moderate to high risk for reoffending.

(b) The secretary shall, for the period of parole, facilitate the juvenile's reintegration into his or her community and to further this goal shall require the juvenile to refrain from possessing a firearm or using a deadly weapon and refrain from committing new offenses and may require the juvenile to: (i) Undergo available medical, psychiatric, drug and alcohol, sex offender, mental health, and other offense-related treatment services; (ii) report as directed to a parole officer and/or designee; (iii) pursue a course of study, vocational training, or employment; (iv) notify the parole officer of the current address where he or she resides; (v) be present at a particular address during specified hours; (vi) remain within prescribed geographical boundaries; (vii) submit to electronic monitoring; (viii) refrain from using illegal drugs and alcohol, and submit to random urinalysis when requested by the assigned parole officer; (ix) refrain from contact with specific individuals or a specified class of individuals; (x) meet other conditions determined by the parole officer to further enhance the juvenile's reintegration into the community; (xi) pay any court-ordered fines or restitution; and (xii) perform community restitution. Community restitution for the purpose of this section means compulsory service, without compensation, performed for the benefit of the community by the offender. Community restitution may be performed through public or private organizations or through work crews.

(c) The secretary may further require up to twenty-five percent of the highest risk juvenile offenders who are placed on parole to participate in an intensive supervision program. Offenders participating in an intensive supervision program shall be required to comply with all terms and conditions listed in (b) of this subsection and shall also be required to comply with the following additional terms and conditions: (i) Obey all laws and refrain from any conduct that threatens public safety; (ii) report at least once a week to an assigned community case manager; and (iii) meet all other requirements imposed by the community case manager related to participating in the intensive supervision program. As a part of the intensive supervision program, the secretary may require day reporting.

(d) After termination of the parole period, the juvenile shall be discharged from the department's supervision.

(4)(a) The department may also modify parole for violation thereof. If, after affording a juvenile all of the due process rights to which he or she would be entitled if the juvenile were an adult, the secretary finds that a juvenile has violated a condition of his or her parole, the secretary shall order one of the following which is reasonably likely to effectuate the purpose of the parole and to protect the public: (i) Continued supervision under the same conditions previously imposed; (ii) intensified supervision with increased reporting requirements; (iii) additional conditions of supervision authorized by this chapter; (iv) except as provided in (a)(v) and (vi) of this subsection, imposition of a period of confinement not to exceed thirty days in a facility operated by or pursuant to a contract with the state of Washington or any city or county for a portion of each day or for a certain number of days each week with the balance of the days or weeks spent under supervision; (v) the secretary may order any of the conditions or may return the offender to confinement for the remainder of the sentence range if the offense for which the offender was sentenced is rape in the first or second degree, rape of a child in the first or second degree, child molestation in the first degree, indecent liberties with forcible compulsion, or a sex offense that is also a serious violent offense as defined by RCW 9.94A.030; and (vi) the secretary may order any of the conditions or may return the offender to confinement for the remainder of the sentence range if the youth has completed the basic training camp program as described in RCW 13.40.320.

(b) The secretary may modify parole and order any of the conditions or may return the offender to confinement for up to twenty-four weeks if the offender was sentenced for a sex offense as defined under RCW ((9A.44.130)) 9A.44.128 and is known to have violated the terms of parole. Confinement beyond thirty days is intended to only be used for a small and limited number of sex offenders. It shall only be used when other graduated sanctions or interventions have not been effective or the behavior is so egregious it warrants the use of the higher level intervention and the violation: (i) Is a known pattern of behavior consistent with a previous sex offense that puts the youth at high risk for reoffending sexually; (ii) consists of sexual behavior that is determined to be predatory as defined in RCW 71.09.020; or (iii) requires a review under chapter 71.09 RCW, due to a recent overt act. The total number of days of confinement for violations of parole conditions during the parole period shall not exceed the number of days provided by the maximum sentence imposed by the disposition for the underlying offense pursuant to RCW 13.40.0357. The department shall not aggregate multiple parole violations that occur prior to the parole revocation hearing and impose consecutive twenty-four week periods of confinement for each parole violation. The department is authorized to engage in rule making pursuant to chapter 34.05 RCW, to implement this subsection, including narrowly defining the behaviors that could lead to this higher level intervention.

(c) If the department finds that any juvenile in a program of parole has possessed a firearm or used a deadly weapon during the program of parole, the department shall modify the parole under (a) of this subsection and confine the juvenile for at least thirty days. Confinement shall be in a facility operated by or pursuant to a contract with the state or any county.

(5) A parole officer of the department of ((social and health services)) children, youth, and families shall have the power to arrest a juvenile under his

or her supervision on the same grounds as a law enforcement officer would be authorized to arrest the person.

(6) If so requested and approved under chapter 13.06 RCW, the secretary shall permit a county or group of counties to perform functions under subsections (3) through (5) of this section.

Sec. 610. RCW 13.40.220 and 1995 c 300 s 1 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 ((<del>of social and health services</del>)), 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 ((74.13.100 through 74.13.145)) 74.13A.005 through 74.13A.080, parents eligible to receive adoption support under RCW ((74.13.150)) 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.

**Sec. 611.** RCW 13.40.280 and 1989 c 410 s 2 and 1989 c 407 s 8 are each reenacted and amended to read as follows:

(1) The secretary of the department of children, youth, and families, with the consent of the secretary of the department of corrections, has the authority to transfer a juvenile presently or hereafter committed to the department of ((social and health services)) children, youth, and families to the department of corrections for appropriate institutional placement in accordance with this section.

(2) The secretary of the department of ((social and health services)) children, youth, and families may, with the consent of the secretary of the department of corrections, transfer a juvenile offender to the department of corrections if it is established at a hearing before a review board that continued placement of the juvenile offender in an institution for juvenile offenders presents a continuing and serious threat to the safety of others in the institution. The department of ((social and health services)) children, youth, and families shall establish rules for the conduct of the hearing, including provision of counsel for the juvenile offender.

(3) Assaults made against any staff member at a juvenile corrections institution that are reported to a local law enforcement agency shall require a hearing held by the department of ((social and health services)) children, youth,

and families review board within ten judicial working days. The board shall determine whether the accused juvenile offender represents a continuing and serious threat to the safety of others in the institution.

(4) Upon conviction in a court of law for custodial assault as defined in RCW 9A.36.100, the department of ((social and health services)) children, youth, and families review board shall conduct a second hearing, within five judicial working days, to recommend to the secretary of the department of ((social and health services)) children, youth, and families that the convicted juvenile be transferred to an adult correctional facility if the review board has determined the juvenile offender represents a continuing and serious threat to the safety of others in the institution.

The juvenile has the burden to show cause why the transfer to an adult correctional facility should not occur.

(5) A juvenile offender transferred to an institution operated by the department of corrections shall not remain in such an institution beyond the maximum term of confinement imposed by the juvenile court.

(6) A juvenile offender who has been transferred to the department of corrections under this section may, in the discretion of the secretary of the department of ((social and health services)) children, youth, and families and with the consent of the secretary of the department of corrections, be transferred from an institution operated by the department of corrections to a facility for juvenile offenders deemed appropriate by the secretary.

Sec. 612. RCW 13.40.285 and 1983 c 191 s 23 are each amended to read as follows:

A juvenile offender ordered to serve a term of confinement with the department of ((social and health services)) children, youth, and families who is subsequently sentenced to the department of corrections may, with the consent of the department of corrections, be transferred by the secretary of ((social and health services)) children, youth, and families to the department of corrections to serve the balance of the term of confinement ordered by the juvenile court. The juvenile and adult sentences shall be served consecutively. In no case shall the secretary credit time served as a result of an adult conviction against the term of confinement ordered by the juvenile court.

Sec. 613. RCW 13.40.300 and 2005 c 238 s 2 are each amended to read as follows:

(1) In no case may a juvenile offender be committed by the juvenile court to the department of ((social and health services)) children, youth, and families for placement in a juvenile correctional institution beyond the juvenile offender's twenty-first birthday. A juvenile may be under the jurisdiction of the juvenile court or the authority of the department of ((social and health services)) children, youth, and families beyond the juvenile's eighteenth birthday only if prior to the juvenile's eighteenth birthday:

(a) Proceedings are pending seeking the adjudication of a juvenile offense and the court by written order setting forth its reasons extends jurisdiction of juvenile court over the juvenile beyond his or her eighteenth birthday;

(b) The juvenile has been found guilty after a fact finding or after a plea of guilty and an automatic extension is necessary to allow for the imposition of disposition;

(c) Disposition has been held and an automatic extension is necessary to allow for the execution and enforcement of the court's order of disposition. If an order of disposition imposes commitment to the department, then jurisdiction is automatically extended to include a period of up to twelve months of parole, in no case extending beyond the offender's twenty-first birthday; or

(d) While proceedings are pending in a case in which jurisdiction has been transferred to the adult criminal court pursuant to RCW 13.04.030, the juvenile turns eighteen years of age and is subsequently found not guilty of the charge for which he or she was transferred, or is convicted in the adult criminal court of a lesser included offense, and an automatic extension is necessary to impose the disposition as required by RCW 13.04.030(1)(e)(v)(E).

(2) If the juvenile court previously has extended jurisdiction beyond the juvenile offender's eighteenth birthday and that period of extension has not expired, the court may further extend jurisdiction by written order setting forth its reasons.

(3) In no event may the juvenile court have authority to extend jurisdiction over any juvenile offender beyond the juvenile offender's twenty-first birthday except for the purpose of enforcing an order of restitution or penalty assessment.

(4) Notwithstanding any extension of jurisdiction over a person pursuant to this section, the juvenile court has no jurisdiction over any offenses alleged to have been committed by a person eighteen years of age or older.

Sec. 614. RCW 13.40.310 and 1991 c 326 s 4 are each amended to read as follows:

(1) The department ((of social and health services)) may contract with a community-based nonprofit organization to establish a three-step transitional treatment program for gang and drug-involved juvenile offenders committed to the custody of the department under <u>this</u> chapter ((13.40 RCW)). Any such program shall provide six to twenty-four months of treatment. The program shall emphasize the principles of self-determination, unity, collective work and responsibility, cooperative economics, and creativity. The program shall be culturally relevant and appropriate and shall include:

(a) A culturally relevant and appropriate institution-based program that provides comprehensive drug and alcohol services, individual and family counseling, and a wilderness experience of constructive group living, rigorous physical exercise, and academic studies;

(b) A culturally relevant and appropriate community-based structured group living program that focuses on individual goals, positive community involvement, coordinated drug and alcohol treatment, coordinated individual and family counseling, academic and vocational training, and employment in apprenticeship, internship, and entrepreneurial programs; and

(c) A culturally relevant and appropriate transitional group living program that provides support services, academic services, and coordinated individual and family counseling.

(2) Participation in any such program shall be on a voluntary basis.

(3) The department shall adopt rules as necessary to implement any such program.

Sec. 615. RCW 13.40.320 and 2015 3rd sp.s. c 23 s 1 are each amended to read as follows:

(1) The department ((of social and health services)) may establish a medium security juvenile offender basic training camp program. This program for juvenile offenders serving a term of confinement under the supervision of the department is exempt from the licensing requirements of chapter 74.15 RCW.

(2) The department may contract under this chapter with private companies, the national guard, or other federal, state, or local agencies to operate the juvenile offender basic training camp.

(3) The juvenile offender basic training camp shall be a structured and regimented model emphasizing the building up of an offender's self-esteem, confidence, and discipline. The juvenile offender basic training camp program shall provide participants with basic education, prevocational training, work-based learning, work experience, work ethic skills, conflict resolution counseling, substance abuse intervention, anger management counseling, and structured intensive physical training. The juvenile offender basic training camp program shall have a curriculum training and work schedule that incorporates a balanced assignment of these or other rehabilitation and training components for no less than sixteen hours per day, six days a week.

The department shall develop standards for the safe and effective operation of the juvenile offender basic training camp program, for an offender's successful program completion, and for the continued after-care supervision of offenders who have successfully completed the program.

(4) Offenders eligible for the juvenile offender basic training camp option shall be those with a disposition of not more than sixty-five weeks. Violent and sex offenders shall not be eligible for the juvenile offender basic training camp program.

(5) If the court determines that the offender is eligible for the juvenile offender basic training camp option, the court may recommend that the department place the offender in the program. The department shall evaluate the offender and may place the offender in the program. The evaluation shall include, at a minimum, a risk assessment developed by the department and designed to determine the offender's suitability for the program. No juvenile who is assessed as a high risk offender or suffers from any mental or physical problems that could endanger his or her health or drastically affect his or her performance in the program shall be admitted to or retained in the juvenile offender basic training camp program.

(6) All juvenile offenders eligible for the juvenile offender basic training camp sentencing option shall spend one hundred twenty days of their disposition in a juvenile offender basic training camp. This period may be extended for up to forty days by the secretary if a juvenile offender requires additional time to successfully complete the basic training camp program. If the juvenile offender's activities while in the juvenile offender basic training camp program, as determined by the secretary according to standards developed by the department, as to result in the removal of the juvenile offender from the juvenile offender basic training camp program, or if the offender cannot complete the juvenile offender basic training camp program due to medical problems, the secretary shall require that the offender be committed to a juvenile institution to serve the entire remainder of his or her disposition, less the amount of time already served in the juvenile offender basic training camp program.

(7) All offenders who successfully graduate from the juvenile offender basic training camp program shall spend the remainder of their disposition on parole in a <u>department</u> juvenile rehabilitation ((administration)) intensive aftercare program in the local community. Violation of the conditions of parole is subject to sanctions specified in RCW 13.40.210(4). The program shall provide for the needs of the offender based on his or her progress in the aftercare program as indicated by ongoing assessment of those needs and progress. The intensive aftercare program shall monitor postprogram juvenile offenders and assist them to successfully reintegrate into the community. In addition, the program shall develop a process for closely monitoring and assessing public safety risks. The intensive aftercare program shall be designed and funded by the department ((of social and health services)).

(8) The department shall also develop and maintain a database to measure recidivism rates specific to this incarceration program. The database shall maintain data on all juvenile offenders who complete the juvenile offender basic training camp program for a period of two years after they have completed the program. The database shall also maintain data on the criminal activity, educational progress, and employment activities of all juvenile offenders who participated in the program.

Sec. 616. RCW 13.40.460 and 2003 c 229 s 1 are each amended to read as follows:

The secretary((<del>, assistant secretary,</del>)) or the secretary's designee shall manage and administer the department's juvenile rehabilitation responsibilities, including but not limited to the operation of all state institutions or facilities used for juvenile rehabilitation.

The secretary or ((assistant secretary)) the secretary's designee shall:

(1) Prepare a biennial budget request sufficient to meet the confinement and rehabilitative needs of the juvenile rehabilitation program, as forecast by the office of financial management;

(2) Create by rule a formal system for inmate classification. This classification system shall consider:

(a) Public safety;

(b) Internal security and staff safety;

(c) Rehabilitative resources both within and outside the department;

(d) An assessment of each offender's risk of sexually aggressive behavior as provided in RCW 13.40.470; and

(e) An assessment of each offender's vulnerability to sexually aggressive behavior as provided in RCW 13.40.470;

(3) Develop agreements with local jurisdictions to develop regional facilities with a variety of custody levels;

(4) Adopt rules establishing effective disciplinary policies to maintain order within institutions;

(5) Develop a comprehensive diagnostic evaluation process to be used at intake, including but not limited to evaluation for substance addiction or abuse, literacy, learning disabilities, fetal alcohol syndrome or effect, attention deficit disorder, and mental health;

(6) Develop placement criteria:

(a) To avoid assigning youth who present a moderate or high risk of sexually aggressive behavior to the same sleeping quarters as youth assessed as vulnerable to sexual victimization under RCW 13.40.470(1)(c); and

(b) To avoid placing a juvenile offender on parole status who has been assessed as a moderate to high risk for sexually aggressive behavior in a department community residential program with another child who is: (i) Dependent under chapter 13.34 RCW, or an at-risk youth or child in need of services under chapter 13.32A RCW; and (ii) not also a juvenile offender on parole status;

(7) Develop a plan to implement, by July 1, 1995:

(a) Substance abuse treatment programs for all state juvenile rehabilitation facilities and institutions;

(b) Vocational education and instruction programs at all state juvenile rehabilitation facilities and institutions; and

(c) An educational program to establish self-worth and responsibility in juvenile offenders. This educational program shall emphasize instruction in character-building principles such as: Respect for self, others, and authority; victim awareness; accountability; work ethics; good citizenship; and life skills; and

(8)(a) The ((juvenile rehabilitation administration)) department shall develop uniform policies related to custodial assaults consistent with RCW 72.01.045 and 9A.36.100 that are to be followed in all juvenile rehabilitation ((administration)) facilities; and

(b) The ((juvenile rehabilitation administration)) department will report assaults in accordance with the policies developed in (a) of this subsection.

Sec. 617. RCW 13.40.462 and 2011 1st sp.s. c 32 s 4 are each amended to read as follows:

(1) The department ((of social and health services juvenile rehabilitation administration)) shall establish a reinvesting in youth program that awards grants to counties for implementing research-based early intervention services that target juvenile justice-involved youth and reduce crime, subject to the availability of amounts appropriated for this specific purpose.

(2) Effective July 1, 2007, any county or group of counties may apply for participation in the reinvesting in youth program.

(3) Counties that participate in the reinvesting in youth program shall have a portion of their costs of serving youth through the research-based intervention service models paid for with moneys from the reinvesting in youth account established pursuant to RCW 13.40.466.

(4) The department ((of social and health services juvenile rehabilitation administration)) shall review county applications for funding through the reinvesting in youth program and shall select the counties that will be awarded grants with funds appropriated to implement this program. The department, in consultation with the Washington state institute for public policy, shall develop guidelines to determine which counties will be awarded funding in accordance with the reinvesting in youth program. At a minimum, counties must meet the following criteria in order to participate in the reinvesting in youth program:

(a) Counties must match state moneys awarded for research-based early intervention services with nonstate resources that are at least proportional to the

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expected local government share of state and local government cost avoidance that would result from the implementation of such services;

(b) Counties must demonstrate that state funds allocated pursuant to this section are used only for the intervention service models authorized pursuant to RCW 13.40.464;

(c) Counties must participate fully in the state quality assurance program established in RCW 13.40.468 to ensure fidelity of program implementation. If no state quality assurance program is in effect for a particular selected researchbased service, the county must submit a quality assurance plan for state approval with its grant application. Failure to demonstrate continuing compliance with quality assurance plans shall be grounds for termination of state funding; and

(d) Counties that submit joint applications must submit for approval by the department ((of social and health services juvenile rehabilitation administration)) multicounty plans for efficient program delivery.

Sec. 618. RCW 13.40.464 and 2006 c 304 s 3 are each amended to read as follows:

(1)(a) In order to receive funding through the reinvesting in youth program established pursuant to RCW 13.40.462, intervention service models must meet the following minimum criteria:

(i) There must be scientific evidence from at least one rigorous evaluation study of the specific service model that measures recidivism reduction;

(ii) There must be evidence that the specific service model's results can be replicated outside of an academic research environment;

(iii) The evaluation or evaluations of the service model must permit dollar cost estimates of both benefits and costs so that the benefit-cost ratio of the model can be calculated; and

(iv) The public taxpayer benefits to all levels of state and local government must exceed the service model costs.

(b) In calendar year 2006, for use beginning in fiscal year 2008, the Washington state institute for public policy shall publish a list of service models that are eligible for reimbursement through the investing in youth program. As authorized by the board of the institute and to the extent necessary to respond to new research and information, the institute shall periodically update the list of service models. The institute shall use the technical advisory committee established in RCW 13.40.462(5) to review and provide comments on the list of service models that are eligible for reimbursement.

(2) In calendar year 2006, for use beginning in fiscal year 2008, the Washington state institute for public policy shall review and update the methodology for calculating cost savings resulting from implementation of this program. As authorized by the board of the institute and to the extent necessary to respond to new research and information, the institute shall periodically further review and update the methodology. As authorized by the board of the institute, when the institute reviews and updates the methodology for calculating cost savings, the institute shall provide an estimate of savings and avoided costs resulting from this program, along with a projection of future savings and avoided costs, to the appropriate committee stablished in RCW 13.40.462(5) to review and provide comments on its methodology and cost calculations.

(3) In calendar year 2006, for use beginning in fiscal year 2008, the department ((of social and health services' juvenile rehabilitation administration)) shall establish a distribution formula to provide funding to local governments that implement research-based intervention services pursuant to this program. The department shall periodically update the distribution formula. The distribution formula shall require that the state allocation to local governments be proportional to the expected state government share of state and local government cost avoidance that would result from the implementation of such services based on the methodology maintained by the Washington state institute for public policy pursuant to subsection (2) of this section. The department shall use the technical advisory committee established in RCW 13.40.462(5) to review and provide comments on its proposed distribution formula.

(((4) The department of social and health services juvenile rehabilitation administration shall provide a report to the legislature on the initial cost savings calculation methodology and distribution formula by October 1, 2006.))

Sec. 619. RCW 13.40.466 and 2013 2nd sp.s. c 4 s 953 are each amended to read as follows:

(1) The reinvesting in youth account is created in the state treasury. Moneys in the account shall be spent only after appropriation. Expenditures from the account may be used to reimburse local governments for the implementation of the reinvesting in youth program established in RCW 13.40.462 and 13.40.464. During the 2013-2015 fiscal biennium, the legislature may appropriate moneys from the reinvesting in youth account for juvenile rehabilitation purposes.

(2) Revenues to the reinvesting in youth account consist of revenues appropriated to or deposited in the account.

(3) The department ((of social and health services juvenile rehabilitation administration)) shall review and monitor the expenditures made by any county or group of counties that is funded, in whole or in part, with funds provided through the reinvesting in youth account. Counties shall repay any funds that are not spent in accordance with RCW 13.40.462 and 13.40.464.

Sec. 620. RCW 13.40.468 and 2006 c 304 s 6 are each amended to read as follows:

The department ((of social and health services juvenile rehabilitation administration)) shall establish a state quality assurance program. The ((juvenile rehabilitation administration)) department shall monitor the implementation of intervention services funded pursuant to RCW 13.40.466 and shall evaluate adherence to service model design and service completion rate.

Sec. 621. RCW 13.40.510 and 2010 1st sp.s. c 7 s 62 are each amended to read as follows:

(1) In order to receive funds under RCW 13.40.500 through 13.40.540, local governments may, through their respective agencies that administer funding for consolidated juvenile services, submit proposals that establish community juvenile accountability programs within their communities. These proposals must be submitted to the ((juvenile rehabilitation administration of the)) department ((of social and health services)) for certification.

(2) The proposals must:

(a) Demonstrate that the proposals were developed with the input of the local law and justice councils established under RCW 72.09.300;

(b) Describe how local community groups or members are involved in the implementation of the programs funded under RCW 13.40.500 through 13.40.540;

(c) Include a description of how the grant funds will contribute to the expected outcomes of the program and the reduction of youth violence and juvenile crime in their community. Data approaches are not required to be replicated if the networks have information that addresses risks in the community for juvenile offenders.

(3) A local government receiving a grant under this section shall agree that any funds received must be used efficiently to encourage the use of communitybased programs that reduce the reliance on secure confinement as the sole means of holding juvenile offenders accountable for their crimes. The local government shall also agree to account for the expenditure of all funds received under the grant and to submit to audits for compliance with the grant criteria developed under RCW 13.40.520.

(4) The ((juvenile rehabilitation administration)) department, in consultation with the Washington association of juvenile court administrators and the state law and justice advisory council, shall establish guidelines for programs that may be funded under RCW 13.40.500 through 13.40.540. The guidelines must:

(a) Target diverted and adjudicated juvenile offenders;

(b) Include assessment methods to determine services, programs, and intervention strategies most likely to change behaviors and norms of juvenile offenders;

(c) Provide maximum structured supervision in the community. Programs should use natural surveillance and community guardians such as employers, relatives, teachers, clergy, and community mentors to the greatest extent possible;

(d) Promote good work ethic values and educational skills and competencies necessary for the juvenile offender to function effectively and positively in the community;

(e) Maximize the efficient delivery of treatment services aimed at reducing risk factors associated with the commission of juvenile offenses;

(f) Maximize the reintegration of the juvenile offender into the community upon release from confinement;

(g) Maximize the juvenile offender's opportunities to make full restitution to the victims and amends to the community;

(h) Support and encourage increased court discretion in imposing community-based intervention strategies;

(i) Be compatible with research that shows which prevention and early intervention strategies work with juvenile offenders;

(j) Be outcome-based in that it describes what outcomes will be achieved or what outcomes have already been achieved;

(k) Include an evaluation component; and

(l) Recognize the diversity of local needs.

(5) The state law and justice advisory council may provide support and technical assistance to local governments for training and education regarding community-based prevention and intervention strategies.

Sec. 622. RCW 13.40.520 and 1997 c 338 s 62 are each amended to read as follows:

(1) The state may make grants to local governments for the provision of community-based programs for juvenile offenders. The grants must be made under a grant formula developed by the ((juvenile rehabilitation administration)) department, in consultation with the Washington association of juvenile court administrators.

(2) Upon certification by the ((juvenile rehabilitation administration)) department that a proposal satisfies the application and selection criteria, grant funds will be distributed to the local government agency that administers funding for consolidated juvenile services.

Sec. 623. RCW 13.40.540 and 1997 c 338 s 64 are each amended to read as follows:

(1) Each community juvenile accountability program approved and funded under RCW 13.40.500 through 13.40.540 shall comply with the information collection requirements in subsection (2) of this section and the reporting requirements in subsection (3) of this section.

(2) The information collected by each community juvenile accountability program must include, at a minimum for each juvenile participant: (a) The name, date of birth, gender, social security number, and, when available, the juvenile information system (JUVIS) control number; (b) an initial intake assessment of each juvenile participating in the program; (c) a list of all juveniles who completed the program; and (d) an assessment upon completion or termination of each juvenile, including outcomes and, where applicable, reasons for termination.

(3) The ((juvenile rehabilitation administration)) department shall annually compile the data and report to the legislature on: (a) The programs funded under RCW 13.40.500 through 13.40.540; (b) the total cost for each funded program and cost per juvenile; and (c) the essential elements of the program.

Sec. 624. RCW 13.40.560 and 1999 c 182 s 1 are each amended to read as follows:

The juvenile accountability incentive account is created in the custody of the state treasurer. Federal awards for juvenile accountability incentives received by the secretary of the department ((of social and health services)) shall be deposited into the account. Interest earned from the inception of the trust account shall be deposited in the account. Expenditures from the account may be used only for the purposes specified in the federal award or awards. Moneys in the account may be spent only after appropriation.

Sec. 625. RCW 74.14A.030 and 1983 c 192 s 3 are each amended to read as follows:

The department <u>of children</u>, <u>youth</u>, <u>and families</u> shall address the needs of juvenile offenders whose standard range sentences do not include commitment by developing nonresidential community-based programs designed to reduce the incidence of manifest injustice commitments when consistent with public safety.

Sec. 626. RCW 74.14A.040 and 1983 c 192 s 4 are each amended to read as follows:

The department <u>of children</u>, <u>youth</u>, <u>and families</u> shall involve a juvenile offender's family as a unit in the treatment process. The department need not

involve the family as a unit in cases when family ties have by necessity been irrevocably broken. When the natural parents have been or will be replaced by a foster family or guardian, the new family will be involved in the treatment process.

Sec. 627. RCW 72.01.045 and 2002 c 77 s 1 are each amended to read as follows:

(1) For purposes of this section only, "assault" means an unauthorized touching of an employee by a resident, patient, or juvenile offender resulting in physical injury to the employee.

(2) In recognition of the hazardous nature of employment in state institutions, the legislature hereby provides a supplementary program to reimburse employees of the department of social and health services, the department of natural resources, the department of children, youth, and families, and the department of veterans affairs for some of their costs attributable to their being the victims of assault by residents, patients, or juvenile offenders. This program shall be limited to the reimbursement provided in this section.

(3) An employee is only entitled to receive the reimbursement provided in this section if the secretary of social and health services, the commissioner of public lands, the secretary of the department of children, youth, and families, or the director of the department of veterans affairs, or the secretary's, commissioner's, or director's designee, finds that each of the following has occurred:

(a) A resident or patient has assaulted the employee and as a result thereof the employee has sustained demonstrated physical injuries which have required the employee to miss days of work;

(b) The assault cannot be attributable to any extent to the employee's negligence, misconduct, or failure to comply with any rules or conditions of employment; and

(c) The department of labor and industries has approved the employee's workers' compensation application pursuant to chapter 51.32 RCW.

(4) The reimbursement authorized under this section shall be as follows:

(a) The employee's accumulated sick leave days shall not be reduced for the workdays missed;

(b) For each workday missed for which the employee is not eligible to receive compensation under chapter 51.32 RCW, the employee shall receive full pay; and

(c) In respect to workdays missed for which the employee will receive or has received compensation under chapter 51.32 RCW, the employee shall be reimbursed in an amount which, when added to that compensation, will result in the employee receiving full pay for the workdays missed.

(5) Reimbursement under this section may not last longer than three hundred sixty-five consecutive days after the date of the injury.

(6) The employee shall not be entitled to the reimbursement provided in subsection (4) of this section for any workday for which the secretary, commissioner, director, or applicable designee, finds that the employee has not diligently pursued his or her compensation remedies under chapter 51.32 RCW.

(7) The reimbursement shall only be made for absences which the secretary, commissioner, director, or applicable designee believes are justified.

(8) While the employee is receiving reimbursement under this section, he or she shall continue to be classified as a state employee and the reimbursement amount shall be considered as salary or wages.

(9) All reimbursement payments required to be made to employees under this section shall be made by the employing department. The payments shall be considered as a salary or wage expense and shall be paid by the department in the same manner and from the same appropriations as other salary and wage expenses of the department.

(10) Should the legislature revoke the reimbursement authorized under this section or repeal this section, no affected employee is entitled thereafter to receive the reimbursement as a matter of contractual right.

Sec. 628. RCW 72.01.050 and 1992 c 7 s 51 are each amended to read as follows:

(1) The secretary of social and health services shall have full power to manage and govern the following public institutions: The western state hospital, the eastern state hospital, the northern state hospital, ((the state training school, the state school for girls,)) Lakeland Village, the Rainier school, and such other institutions as authorized by law, subject only to the limitations contained in laws relating to the management of such institutions.

(2) The secretary of corrections shall have full power to manage, govern, and name all state correctional facilities, subject only to the limitations contained in laws relating to the management of such institutions.

(3) If any state correctional facility is fully or partially destroyed by natural causes or otherwise, the secretary of corrections may, with the approval of the governor, provide for the establishment and operation of additional residential correctional facilities to place those inmates displaced by such destruction. However, such additional facilities may not be established if there are existing residential correctional facilities to which all of the displaced inmates can be appropriately placed. The establishment and operation of any additional facility shall be on a temporary basis, and the facility may not be operated beyond July 1 of the year following the year in which it was partially or fully destroyed.

(4) The secretary of the department of children, youth, and families shall have full power to manage and govern Echo Glen, the Green Hill school, and such other institutions as authorized by law, subject only to the limitations contained in laws relating to the management of such institutions.

Sec. 629. RCW 13.16.100 and 1994 sp.s. c 7 s 807 are each amended to read as follows:

Motion pictures unrated after November 1968 or rated R, X, or NC-17 by the motion picture association of America shall not be shown in juvenile detention facilities or facilities operated by the ((division of juvenile rehabilitation in the)) department of ((social and health services)) children, youth, and families.

Sec. 630. RCW 28A.225.010 and 2014 c 168 s 3 are each amended to read as follows:

(1) All parents in this state of any child eight years of age and under eighteen years of age shall cause such child to attend the public school of the district in which the child resides and such child shall have the responsibility to and therefore shall attend for the full time when such school may be in session unless:

(a) The child is attending an approved private school for the same time or is enrolled in an extension program as provided in RCW 28A.195.010(4);

(b) The child is receiving home-based instruction as provided in subsection (4) of this section;

(c) The child is attending an education center as provided in chapter 28A.205 RCW;

(d) The school district superintendent of the district in which the child resides shall have excused such child from attendance because the child is physically or mentally unable to attend school, is attending a residential school operated by the department of social and health services or the department of children, youth, and families, is incarcerated in an adult correctional facility, or has been temporarily excused upon the request of his or her parents for purposes agreed upon by the school authorities and the parent: PROVIDED, That such excused absences shall not be permitted if deemed to cause a serious adverse effect upon the student's educational progress: PROVIDED FURTHER, That students excused for such temporary absences may be claimed as full-time equivalent students to the extent they would otherwise have been so claimed for the purposes of RCW 28A.150.250 and 28A.150.260 and shall not affect school district compliance with the provisions of RCW 28A.150.220;

(e) The child is excused from school subject to approval by the student's parent for a reason of faith or conscience, or an organized activity conducted under the auspices of a religious denomination, church, or religious organization, for up to two days per school year without any penalty. Such absences may not mandate school closures. Students excused for such temporary absences may be claimed as full-time equivalent students to the extent they would otherwise have been so claimed for the purposes of RCW 28A.150.250 and 28A.150.260 and may not affect school district compliance with the provisions of RCW 28A.150.220; or

(f) The child is sixteen years of age or older and:

(i) The child is regularly and lawfully employed and either the parent agrees that the child should not be required to attend school or the child is emancipated in accordance with chapter 13.64 RCW;

(ii) The child has already met graduation requirements in accordance with state board of education rules and regulations; or

(iii) The child has received a certificate of educational competence under rules and regulations established by the state board of education under RCW 28A.305.190.

(2) A parent for the purpose of this chapter means a parent, guardian, or person having legal custody of a child.

(3) An approved private school for the purposes of this chapter and chapter 28A.200 RCW shall be one approved under regulations established by the state board of education pursuant to RCW 28A.305.130.

(4) For the purposes of this chapter and chapter 28A.200 RCW, instruction shall be home-based if it consists of planned and supervised instructional and related educational activities, including a curriculum and instruction in the basic skills of occupational education, science, mathematics, language, social studies, history, health, reading, writing, spelling, and the development of an

appreciation of art and music, provided for a number of hours equivalent to the total annual program hours per grade level established for approved private schools under RCW 28A.195.010 and 28A.195.040 and if such activities are:

(a) Provided by a parent who is instructing his or her child only and are supervised by a certificated person. A certificated person for purposes of this chapter and chapter 28A.200 RCW shall be a person certified under chapter 28A.410 RCW. For purposes of this section, "supervised by a certificated person" means: The planning by the certificated person and the parent of objectives consistent with this subsection; a minimum each month of an average of one contact hour per week with the child being supervised by the certificated person; and evaluation of such child's progress by the certificated person. The number of children supervised by the certificated person shall not exceed thirty for purposes of this subsection; or

(b) Provided by a parent who is instructing his or her child only and who has either earned forty-five college level quarter credit hours or its equivalent in semester hours or has completed a course in home-based instruction at a postsecondary institution or a vocational-technical institute; or

(c) Provided by a parent who is deemed sufficiently qualified to provide home-based instruction by the superintendent of the local school district in which the child resides.

(5) The legislature recognizes that home-based instruction is less structured and more experiential than the instruction normally provided in a classroom setting. Therefore, the provisions of subsection (4) of this section relating to the nature and quantity of instructional and related educational activities shall be liberally construed.

Sec. 631. RCW 72.09.337 and 2001 2nd sp.s. c 12 s 502 are each amended to read as follows:

The secretary of corrections, the secretary of social and health services, the secretary of children, youth, and families, and the indeterminate sentence review board may adopt rules to implement chapter 12, Laws of 2001 2nd sp. sess.

## PART VII

## TRANSFER OF CHILDREN AND YOUTH RESIDENTIAL AND CUSTODIAL SERVICES

Sec. 701. RCW 72.05.010 and 1985 c 378 s 9 are each amended to read as follows:

(1) The purposes of RCW 72.05.010 through 72.05.210 are: To provide for every child with behavior problems, mentally and physically handicapped persons, and hearing and visually impaired children, within the purview of RCW 72.05.010 through 72.05.210, as now or hereafter amended, such care, guidance and instruction, control and treatment as will best serve the welfare of the child or person and society; to insure nonpolitical and qualified operation, supervision, management, and control of the Green Hill school, ((the Maple Lane school,)) the Naselle Youth Camp, ((the Mission Creek Youth Camp,)) Echo Glen, ((the Caseadia Diagnostic Center,)) Lakeland Village, Rainier school, the Yakima Valley school, ((Interlake school,)) Fircrest school, ((the Francis Haddon Morgan Center,)) the Child Study and Treatment Center and Secondary School of western state hospital, and like residential state schools, camps, and centers hereafter established((, and to place them under the department of social and

health services except where specified otherwise)); and to provide for the persons committed or admitted to those schools that type of care, instruction, and treatment most likely to accomplish their rehabilitation and restoration to normal citizenship.

(2) To further such purposes, Green Hill School, Echo Glen, Naselle Youth Camp, and such other juvenile rehabilitation facilities, as may hereafter be established, are placed under the department of children, youth, and families; Lakeland Village, Rainier school, the Yakima Valley school, Fircrest school, the Child Study and Treatment Center and Secondary School of western state hospital, and like residential state schools, camps, and centers, hereafter established, are placed under the department of social and health services.

Sec. 702. RCW 72.05.020 and 2010 c 181 s 7 are each amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Community facility" means a group care facility operated for the care of juveniles committed to the department under RCW 13.40.185. A county detention facility that houses juveniles committed to the department under RCW 13.40.185 pursuant to a contract with the department is not a community facility.

(2) "Department" means the department of ((social and health services)) children, youth, and families.

(3) "Juvenile" means a person under the age of twenty-one who has been sentenced to a term of confinement under the supervision of the department under RCW 13.40.185.

(4) "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.

(5) "Physical restraint" means the use of any bodily force or physical intervention to control an 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.

(6) "Postpartum recovery" means (a) the entire period a 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.

(7) "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.

(8) "Secretary" means the secretary of the department.

(9) "Service provider" means the entity that operates a community facility.

(((9))) (10) "Transportation" means the conveying, by any means, of an incarcerated pregnant woman or youth from the institution or community facility to another location from the moment she leaves the institution or community facility to the time of arrival at the other location, and includes the escorting of the pregnant incarcerated woman or youth from the institution or community facility to a transport vehicle and from the vehicle to the other location.

Sec. 703. RCW 72.05.130 and 1990 c 33 s 592 are each amended to read as follows:

The department <u>of social and health services and the department of children</u>, <u>youth</u>, <u>and families</u> shall establish, maintain, operate and administer a comprehensive program for the custody, care, education, treatment, instruction, guidance, control, and rehabilitation of all persons who may be committed or admitted to institutions, schools, or other facilities ((<del>controlled and operated by the department</del>)), <u>placed under the control of each</u>, except for the programs of education provided pursuant to RCW 28A.190.030 through 28A.190.050 which shall be established, operated, and administered by the school district conducting the program, and in order to accomplish these purposes, the powers and duties of the secretary <u>of the department of social and health services and the secretary of the department shall include the following:</u>

(1) The assembling, analyzing, tabulating, and reproduction in report form, of statistics and other data with respect to children with behavior problems in the state of Washington, including, but not limited to, the extent, kind, and causes of such behavior problems in the different areas and population centers of the state. Such reports shall not be open to public inspection, but shall be open to the inspection of the governor and to the superior court judges of the state of Washington.

(2) The establishment and supervision of diagnostic facilities and services in connection with the custody, care, and treatment of mentally and physically handicapped, and behavior problem children who may be committed or admitted to any of the institutions, schools, or facilities controlled and operated by the department, or who may be referred for such diagnosis and treatment by any superior court of this state. Such diagnostic services may be established in connection with, or apart from, any other state institution under the supervision and direction of the secretary of the department of social and health services or the secretary of the department of children, youth, and families. Such diagnostic services shall be available to the superior courts of the state for persons referred for such services by them prior to commitment, or admission to, any school, institution, or other facility. Such diagnostic services shall also be available to other departments of the state. When the secretary of the department of social and health services or the secretary of the department of children, youth, and families determines it necessary, the secretary of the department of social and health services or the secretary of the department of children, youth, and families may create waiting lists and set priorities for use of diagnostic services for juvenile offenders on the basis of those most severely in need.

(3) The supervision of all persons committed or admitted to any institution, school, or other facility operated by the department <u>of social and health services</u> <u>or the department of children, youth, and families</u>, and the transfer of such persons from any such institution, school, or facility to any other such school,

institution, or facility: PROVIDED, That where a person has been committed to a minimum security institution, school, or facility by any of the superior courts of this state, a transfer to a close security institution shall be made only with the consent and approval of such court.

(4) The supervision of parole, discharge, or other release, and the postinstitutional placement of all persons committed to Green Hill school ((and Maple Lane school)), or such as may be assigned, paroled, or transferred therefrom to other facilities operated by the department. Green Hill school ((and Maple Lane school are)) is hereby designated as a "close security" institution((s)) to which shall be given the custody of children with the most serious behavior problems.

Sec. 704. RCW 72.05.154 and 2012 c 117 s 460 are each amended to read as follows:

From and after July 1, 1973, any inmate working in a juvenile forest camp established and operated pursuant to RCW 72.05.150, pursuant to an agreement between the department of ((social and health services)) children, youth, and families and the department of natural resources shall be eligible for the benefits provided by Title 51 RCW, as now or hereafter amended, relating to industrial insurance, with the exceptions provided by this section.

No inmate as described in RCW 72.05.152, until released upon an order of parole by the department of ((social and health services)) children, youth, and families, or discharged from custody upon expiration of sentence, or discharged from custody by order of a court of appropriate jurisdiction, or his or her dependents or beneficiaries, shall be entitled to any payment for temporary disability or permanent total disability as provided for in RCW 51.32.090 or 51.32.060 respectively, as now or hereafter amended, or to the benefits of chapter 51.36 RCW relating to medical aid: PROVIDED, That RCW 72.05.152 and ((72.05.154)) this section shall not affect the eligibility, payment or distribution of benefits for any industrial injury to the inmate which occurred prior to his or her existing commitment to the department of ((social and health services)) children, youth, and families.

Any and all premiums or assessments as may arise under this section pursuant to the provisions of Title 51 RCW shall be the obligation of and be paid by the state department of natural resources.

Sec. 705. RCW 72.05.415 and 1998 c 269 s 9 are each amended to read as follows:

(1) ((Promptly following the report due under section 17, chapter 269, Laws of 1998,)) The secretary shall develop a process with local governments that allows each community to establish a community placement oversight committee. The department may conduct community awareness activities. The community placement oversight committees developed pursuant to this section shall be implemented no later than September 1, 1999.

(2) The community placement oversight committees may review and make recommendations regarding the placement of any juvenile who the secretary proposes to place in the community facility.

(3) The community placement oversight committees, their members, and any agency represented by a member shall not be liable in any cause of action as a result of its decision in regard to a proposed placement of a juvenile unless the committee acts with gross negligence or bad faith in making a placement decision.

(4) Members of the committee shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(5) Except as provided in RCW 13.40.215, at least seventy-two hours prior to placing a juvenile in a community facility the secretary shall provide to the chief law enforcement officer of the jurisdiction in which the community facility is sited: (a) The name of the juvenile; (b) the juvenile's criminal history; and (c) such other relevant and disclosable information as the law enforcement officer may require.

Sec. 706. RCW 72.05.435 and 1998 c 269 s 15 are each amended to read as follows:

(1) The department shall establish by rule a policy for the common use of residential group homes for juvenile offenders under the jurisdiction of the ((juvenile rehabilitation administration and the children's administration)) department.

(2) A juvenile confined under the jurisdiction of the ((juvenile rehabilitation administration)) department who is convicted of a class A felony is not eligible for placement in a community facility operated by ((ehildren's administration)) the department that houses juveniles ((who are not under the jurisdiction of juvenile rehabilitation administration)) under the department's care pursuant to a dependency proceeding under chapter 13.34 RCW unless:

(a) The juvenile is housed in a separate living unit solely for juvenile offenders;

(b) The community facility is a specialized treatment program and the youth is not assessed as sexually aggressive under RCW 13.40.470; or

(c) The community facility is a specialized treatment program that houses one or more sexually aggressive youth and the juvenile is not assessed as sexually vulnerable under RCW 13.40.470.

Sec. 707. RCW 72.05.440 and 1998 c 269 s 16 are each amended to read as follows:

(1) A person shall not be eligible for an employed or volunteer position within the ((juvenile rehabilitation administration)) department of children, youth, and families or any agency with which it contracts in which the person may have regular access to juveniles under the jurisdiction of the department of ((social and health services)) children, youth, and families or the department of corrections if the person has been convicted of one or more of the following:

(a) Any felony sex offense;

(b) Any violent offense, as defined in RCW 9.94A.030.

(2) Subsection (1) of this section applies only to persons hired by the department or any of its contracting agencies after September 1, 1998.

(3) Any person employed by the ((juvenile rehabilitation administration)) department of children, youth, and families, or by any contracting agency, who may have regular access to juveniles under the jurisdiction of the department <u>of</u> <u>children</u>, youth, and families or the department of corrections and who is convicted of an offense set forth in this section after September 1, 1998, shall report the conviction to his or her supervisor. The report must be made within Ch. 6

seven days of conviction. Failure to report within seven days of conviction constitutes misconduct under Title 50 RCW.

(4) For purposes of this section "may have regular access to juveniles" means access for more than a nominal amount of time.

(5) The department shall adopt rules to implement this section.

Sec. 708. RCW 72.19.010 and 1979 c 141 s 222 are each amended to read as follows:

There is hereby established under the supervision and control of the secretary of ((social and health services)) children, youth, and families a correctional institution for the confinement and rehabilitation of juveniles committed by the juvenile courts to the department of ((social and health services)) children, youth, and families. Such institution shall be situated upon publicly owned lands within King county, under the supervision of the department of natural resources, which land is located in the vicinity of Echo Lake and more particularly situated in Section 34, Township 24 North, Range 7 East W.M. and that portion of Section 3, Township 23 North, Range 7 East W.M. lying north of U.S. Highway 10, together with necessary access routes thereto, all of which tract is leased by the department of natural resources to the department of ((social and health services)) children, youth, and families for the establishment and construction of the correctional institution authorized and provided for in this chapter.

Sec. 709. RCW 72.19.020 and 1979 c 141 s 223 are each amended to read as follows:

The secretary <u>of children, youth, and families</u> may make, amend, and repeal rules ((and regulations)) for the administration of the juvenile correctional institution established by this chapter in furtherance of the provisions of this chapter and not inconsistent with law.

Sec. 710. RCW 72.19.030 and 1983 1st ex.s. c 41 s 27 are each amended to read as follows:

The superintendent of the correctional institution established by this chapter shall be appointed by the secretary <u>of children</u>, <u>youth</u>, <u>and families</u>.

Sec. 711. RCW 72.19.040 and 2012 c 117 s 461 are each amended to read as follows:

The superintendent, subject to the approval of the secretary <u>of children</u>, <u>youth, and families</u>, shall appoint such associate superintendents as shall be deemed necessary. In the event the superintendent shall be absent from the institution, or during periods of illness or other situations incapacitating the superintendent from properly performing his or her duties, one of the associate superintendents of such institution shall act as superintendent during such period of absence, illness, or incapacity as may be designated by the secretary <u>of children</u>, youth, and families.

Sec. 712. RCW 72.19.050 and 1993 c 281 s 65 are each amended to read as follows:

The superintendent shall have the following powers, duties and responsibilities:

(1) Subject to the rules of the department <u>of children</u>, <u>youth</u>, <u>and families</u>, the superintendent shall have the supervision and management of the institution, of the grounds and buildings, the subordinate officers and employees, and of the

juveniles received at such institution and the custody of such persons until released or transferred as provided by law.

(2) Subject to the rules of the department <u>of children, youth, and families</u> and the ((<del>Washington personnel resources board</del>)) <u>office of financial</u> <u>management</u>, appoint all subordinate officers and employees.

(3) The superintendent shall be the custodian of the personal property of all juveniles in the institution and shall make rules governing the accounting and disposition of all moneys received by such juveniles, not inconsistent with the law, and subject to the approval of the secretary <u>of the department of children</u>, <u>youth, and families</u>.

Sec. 713. RCW 72.19.060 and 1979 c 141 s 227 are each amended to read as follows:

The plans and construction of the juvenile correctional institution established by this chapter shall provide for adequate separation of the residential housing of the male juvenile from the female juvenile. In all other respects, the juvenile correctional programs for both boys and girls may be combined or separated as the secretary <u>of children</u>, <u>youth</u>, <u>and families</u> deems most reasonable and effective to accomplish the reformation, training and rehabilitation of the juvenile offender, realizing all possible economies from the lack of necessity for duplication of facilities.

Sec. 714. RCW 72.72.030 and 1991 sp.s. c 13 s 10 are each amended to read as follows:

(1) There is hereby created, in the state treasury, an institutional impact account. The secretary of ((social and health services)) children, youth, and families may reimburse political subdivisions for criminal justice costs incurred directly as a result of crimes committed by offenders residing in an institution as defined herein under the jurisdiction of the secretary of ((social and health services)) children, youth, and families. Such reimbursement shall be made to the extent funds are available from the institutional impact account. Reimbursements shall be limited to law enforcement, prosecutorial, judicial, and jail facilities costs which are documented to be strictly related to the criminal activities of the offender.

(2) The secretary of corrections may reimburse political subdivisions for criminal justice costs incurred directly as a result of crimes committed by offenders residing in an institution as defined herein under the jurisdiction of the secretary of corrections. Such reimbursement shall be made to the extent funds are available from the institutional impact account. Reimbursements shall be limited to law enforcement, prosecutorial, judicial, and jail facilities costs which are documented to be strictly related to the criminal activities of the offender.

Sec. 715. RCW 72.72.040 and 1983 c 279 s 3 are each amended to read as follows:

(1) The secretary of ((social and health services)) children, youth, and families and the secretary of corrections shall each promulgate rules pursuant to chapter 34.05 RCW regarding the reimbursement process for their respective agencies.

(2) Reimbursement shall not be made if otherwise provided pursuant to other provisions of state law.

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Sec. 716. RCW 13.06.020 and 1983 c 191 s 2 are each amended to read as follows:

From any state moneys made available for such purpose, the state of Washington, through the department of ((social and health services)) children, youth, and families, shall, in accordance with this chapter and applicable departmental rules, share in the cost of providing services to juveniles.

Sec. 717. RCW 13.06.030 and 1983 c 191 s 3 are each amended to read as follows:

The department of ((social and health services)) children, youth, and families shall adopt rules prescribing minimum standards for the operation of consolidated juvenile services programs for juvenile offenders and such other rules as may be necessary for the administration of the provisions of this chapter. Consolidated juvenile services is a mechanism through which the department of ((social and health services)) children, youth, and families supports local county comprehensive program plans in providing services to offender groups. Standards shall be sufficiently flexible to support current programs which have demonstrated effectiveness and efficiency, to foster development of innovative and improved services for juvenile offenders, to permit direct contracting with private vendors, and to encourage community support for and assistance to local programs. The secretary of ((social and health services)) children, youth, and families shall seek advice from appropriate juvenile justice system participants in developing standards and procedures for the operation of consolidated juvenile services programs and the distribution of funds under this chapter.

Sec. 718. RCW 13.06.040 and 1983 c 191 s 4 are each amended to read as follows:

Any county or group of counties may make application to the department of ((social and health services)) children, youth, and families in the manner and form prescribed by the department for financial aid for the cost of consolidated juvenile services programs. Any such application must include a plan or plans for providing consolidated services to juvenile offenders in accordance with standards of the department.

**Sec. 719.** RCW 13.06.050 and 1993 c 415 s 7 are each amended to read as follows:

No county shall be entitled to receive any state funds provided by this chapter until its application and plan are approved, and unless and until the minimum standards prescribed by the department of ((social and health services)) children, youth, and families are complied with and then only on such terms as are set forth in this section. In addition, any county making application for state funds under this chapter that also operates a juvenile detention facility must have standards of operations in place that include: Intake and admissions, medical and health care, communication, correspondence, visiting and telephone use, security and control, sanitation and hygiene, juvenile rights, rules and discipline, property, juvenile records, safety and emergency procedures, programming, release and transfer, training and staff development, and food service.

(1) The distribution of funds to a county or a group of counties shall be based on criteria including but not limited to the county's per capita income, regional or county at-risk populations, juvenile crime or arrest rates, rates of

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poverty, size of racial minority populations, existing programs, and the effectiveness and efficiency of consolidating local programs towards reducing commitments to state correctional facilities for offenders whose standard range disposition does not include commitment of the offender to the department and reducing reliance on other traditional departmental services.

(2) The secretary <u>of children</u>, <u>youth</u>, <u>and families</u> will reimburse a county upon presentation and approval of a valid claim pursuant to the provisions of this chapter based on actual performance in meeting the terms and conditions of the approved plan and contract. Funds received by participating counties under this chapter shall not be used to replace local funds for existing programs.

(3) The secretary <u>of children</u>, youth, and families, in conjunction with the human rights commission, shall evaluate the effectiveness of programs funded under this chapter in reducing racial disproportionality. The secretary shall investigate whether implementation of such programs has reduced disproportionality in counties with initially high levels of disproportionality. The analysis shall indicate which programs are cost-effective in reducing disproportionality in such areas as alternatives to detention, intake and risk assessment standards pursuant to RCW 13.40.038, alternatives to incarceration, and in the prosecution and adjudication of juveniles. The secretary shall report his or her findings to the legislature by ((December 1, 1994, and)) December 1<u>st</u> of each year ((thereafter)).

Sec. 720. RCW 28A.190.010 and 2014 c 157 s 2 are each amended to read as follows:

A program of education shall be provided for by the department of social and health services or the department of children, youth, and families and the several school districts of the state for common school-age persons who have been admitted to facilities staffed and maintained or contracted pursuant to RCW 13.40.320 by the department of social and health services or the department of children, youth, and families for the education and treatment of juveniles who have been diverted or who have been found to have committed a juvenile offense. The division of duties, authority, and liabilities of the department of social and health services or the department of children, youth, and families and the several school districts of the state respecting the educational programs shall be the same in all respects as set forth in this chapter respecting programs of education for state residential school residents. For the purposes of this section, the term "residential school" or "schools" as used in this chapter shall be construed to mean a facility staffed and maintained by the department of social and health services or the department of children, youth, and families or a program established under RCW 13.40.320, for the education and treatment of juvenile offenders on probation or parole. Nothing in this section shall prohibit a school district from utilizing the services of an educational service district subject to RCW 28A.310.180.

Sec. 721. RCW 28A.190.020 and 2014 c 157 s 3 are each amended to read as follows:

The term "residential school" as used in this chapter and RCW 72.01.200, 72.05.010, and 72.05.130 means Green Hill school, ((Maple Lane school,)) Naselle Youth Camp, ((Cedar Creek Youth Camp, Mission Creek Youth Camp,)) Echo Glen, Lakeland Village, Rainier school, Yakima Valley school,

((Interlake school,)) Fircrest school, ((Francis Haddon Morgan Center,)) the Child Study and Treatment Center and Secondary School of western state hospital, and such other schools, camps, and centers as are now or hereafter established by the department of social and health services <u>or the department of children</u>, 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 and/or physical deficiency: PROVIDED, That the term shall not include the state schools for the deaf and blind or adult correctional institutions.

Sec. 722. RCW 28A.190.040 and 1990 c 33 s 173 are each amended to read as follows:

The duties and authority of the department of social and health services or the department of children, youth, and families and of each superintendent or chief administrator of a residential school to support each program of education conducted by a school district pursuant to RCW 28A.190.030, shall include the following:

(1) The provision of transportation for residential school students to and from the sites of the program of education through the purchase, lease or rental of school buses and other vehicles as necessary;

(2) The provision of safe and healthy building and playground space for the conduct of the program of education through the construction, purchase, lease or rental of such space as necessary;

(3) The provision of furniture, vocational instruction machines and tools, building and playground fixtures, and other equipment and fixtures for the conduct of the program of education through construction, purchase, lease or rental as necessary;

(4) The provision of heat, lights, telephones, janitorial services, repair services, and other support services for the vehicles, building and playground spaces, equipment and fixtures provided for in this section;

(5) The employment, supervision and control of persons to transport students and to maintain the vehicles, building and playground spaces, equipment and fixtures, provided for in this section;

(6) Clinical and medical evaluation services necessary to a determination by the school district of the educational needs of residential school students; and

(7) Such other support services and facilities as are reasonably necessary for the conduct of the program of education.

Sec. 723. RCW 28A.190.050 and 1990 c 33 s 174 are each amended to read as follows:

Each school district required to conduct a program of education pursuant to RCW 28A.190.030, and the department of social and health services <u>and the department of children, youth, and families</u> shall hereafter negotiate and execute a written contract for each school year or such longer period as may be agreed to which delineates the manner in which their respective duties and authority will be cooperatively performed and exercised, and any disputes and grievances resolved. Any such contract may provide for the performance of duties by a school district in addition to those set forth in RCW 28A.190.030 (1) through (5), including duties imposed upon the department of social and health services and the department of children, youth, and families and ((its)) their agents

pursuant to RCW 28A.190.040: PROVIDED, That funds identified in RCW 28A.190.030(6) and/or funds provided by the department of social and health services and the department of children, youth, and families are available to fully pay the direct and indirect costs of such additional duties and the district is otherwise authorized by law to perform such duties in connection with the maintenance and operation of a school district.

Sec. 724. RCW 28A.190.060 and 2014 c 157 s 4 are each amended to read as follows:

The department of social and health services and the department of children, youth, and families shall provide written notice on or before April 15th of each school year to the superintendent of each school district conducting a program of education pursuant to this chapter of any foreseeable residential school closure, reduction in the number of residents, or any other cause for a reduction in the school district's staff for the next school year. In the event the department of social and health services and the department of children, youth, and families fail(( $\mathfrak{s}$ )) to provide notice as prescribed by this section, the departments shall be liable and responsible for the payment of the salary and employment related costs for the next school year of each school district employee whose contract the school district would have nonrenewed but for the failure of the departments to provide notice.

Sec. 725. RCW 71.34.795 and 1985 c 354 s 19 are each amended to read as follows:

When in the judgment of the department of children, youth, and families the welfare of any person committed to or confined in any state juvenile correctional institution or facility necessitates that the person be transferred or moved for observation, diagnosis, or treatment to an evaluation and treatment facility, the secretary of children, youth, and families or the secretary's designee is authorized to order and effect such move or transfer for a period of up to fourteen days, provided that the secretary notifies the original committing court of the transfer and the evaluation and treatment facility is in agreement with the transfer. No person committed to or confined in any state juvenile correctional institution or facility may be transferred to an evaluation and treatment facility for more than fourteen days unless that person has been admitted as a voluntary patient or committed for one hundred eighty-day treatment under this chapter or ninety-day treatment under chapter 71.05 RCW if eighteen years of age or older. Underlying jurisdiction of minors transferred or committed under this section remains with the state correctional institution. A voluntary admitted minor or minors committed under this section and no longer meeting the criteria for one hundred eighty-day commitment shall be returned to the state correctional institution to serve the remaining time of the underlying dispositional order or sentence. The time spent by the minor at the evaluation and treatment facility shall be credited towards the minor's juvenile court sentence.

Sec. 726. RCW 72.01.010 and 1981 c 136 s 66 are each amended to read as follows:

As used in this chapter:

"Department" means the departments of social and health services, children, youth, and families, and corrections; and

"Secretary" means the secretaries of social and health services, children, youth, and families, and corrections.

The powers and duties granted and imposed in this chapter, when applicable, apply to ((both)) the departments of social and health services, children, youth, and families, and corrections and the secretaries of social and health services, children, youth, and families and corrections, for institutions under their control. A power or duty may be exercised or fulfilled jointly if joint action is more efficient, as determined by the secretaries.

Sec. 727. RCW 72.01.210 and 2008 c 104 s 3 are each amended to read as follows:

(1) The secretary of corrections shall appoint institutional chaplains for the state correctional institutions for convicted felons. Institutional chaplains shall be appointed as employees of the department of corrections. The secretary of corrections may further contract with chaplains to be employed as is necessary to meet the religious needs of those inmates whose religious denominations are not represented by institutional chaplains and where volunteer chaplains are not available.

(2) Institutional chaplains appointed by the department of corrections under this section shall have qualifications necessary to function as religious program coordinators for all faith groups represented within the department. Every chaplain so appointed or contracted with shall have qualifications consistent with community standards of the given faith group to which the chaplain belongs and shall not be required to violate the tenets of his or her faith when acting in an ecclesiastical role.

(3) The secretary of ((social and health services)) children, youth, and families shall appoint chaplains for the correctional institutions for juveniles found delinquent by the juvenile courts; and the secretary of corrections and the secretary of social and health services shall appoint one or more chaplains for other custodial, correctional, and mental institutions under their control.

(4) Except as provided in this section, the chaplains so appointed under this section shall have the qualifications and shall be compensated in an amount as recommended by the appointing department and approved by the Washington personnel resources board.

Sec. 728. RCW 72.01.410 and 2015 c 156 s 2 are each amended to read as follows:

(1) Whenever any child under the age of eighteen is convicted as an adult in the courts of this state of a crime amounting to a felony, and is committed for a term of confinement, that child shall be initially placed in a facility operated by the department of corrections to determine the child's earned release date.

(a) If the earned release date is prior to the child's twenty-first birthday, the department of corrections shall transfer the child to the custody of the department of ((social and health services)) children, youth, and families, or to such other institution as is now, or may hereafter be authorized by law to receive such child, until such time as the child completes the ordered term of confinement or arrives at the age of twenty-one years.

(i) While in the custody of the department of ((social and health services)) children, youth, and families, the child must have the same treatment, housing options, transfer, and access to program resources as any other child committed

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directly to that juvenile correctional facility or institution pursuant to chapter 13.40 RCW. Treatment, placement, and program decisions shall be at the sole discretion of the department of ((social and health services)) children, youth, and families. The youth shall only be transferred back to the custody of the department of corrections with the approval of the department of ((social and health services)) children, youth, and families or when the child reaches the age of twenty-one.

(ii) If the child's sentence includes a term of community custody, the department of ((social and health services)) children, youth, and families shall not release the child to community custody until the department of corrections has approved the child's release plan pursuant to RCW 9.94A.729(5)(b). If a child is held past his or her earned release date pending release plan approval, the department of ((social and health services)) children, youth, and families shall retain custody until a plan is approved or the child completes the ordered term of confinement prior to age twenty-one.

(iii) If the department of ((social and health services)) <u>children, youth, and</u> <u>families</u> determines that retaining custody of the child presents a safety risk, the child may be returned to the custody of the department of corrections.

(b) If the child's earned release date is on or after the child's twenty-first birthday, the department of corrections shall, with the consent of the secretary of ((social and health services)) children, youth, and families, transfer the child to a facility or institution operated by the department of ((social and health services)) children, youth, and families. Despite the transfer, the department of corrections retains authority over custody decisions and must approve any leave from the facility. When the child turns age twenty-one, he or she must be transferred back to the department of corrections. The department of ((social and health services)) children, youth, and families has all routine and day-to-day operations authority for the child while in its custody.

(2)(a) Except as provided in (b) and (c) of this subsection, an offender under the age of eighteen who is convicted in adult criminal court and who is committed to a term of confinement at the department of corrections must be placed in a housing unit, or a portion of a housing unit, that is separated from offenders eighteen years of age or older, until the offender reaches the age of eighteen.

(b) An offender who reaches eighteen years of age may remain in a housing unit for offenders under the age of eighteen if the secretary of corrections determines that: (i) The offender's needs and the correctional goals for the offender could continue to be better met by the programs and housing environment that is separate from offenders eighteen years of age and older; and (ii) the programs or housing environment for offenders under the age of eighteen will not be substantially affected by the continued placement of the offender in that environment. The offender may remain placed in a housing unit for offenders under the age of eighteen until such time as the secretary of corrections determines that the offender's needs and correctional goals are no longer better met in that environment but in no case past the offender's twenty-first birthday.

(c) An offender under the age of eighteen may be housed in an intensive management unit or administrative segregation unit containing offenders eighteen years of age or older if it is necessary for the safety or security of the offender or staff. In these cases, the offender must be kept physically separate from other offenders at all times.

## PART VIII

## ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS

<u>NEW SECTION.</u> Sec. 801. (1) The secretary shall investigate the conviction records, pending charges, and disciplinary board final decisions of any current employee or applicant seeking or being considered for any position with the department who will or may have unsupervised access to children. 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.

(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) Criminal justice agencies shall provide the secretary such information as they may have and that the secretary may require for such purpose.

(4) Any person whose criminal history would otherwise disqualify the person under this section from a position that will or may have unsupervised access to children shall not be disqualified if 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 conviction or disposition has been the subject of a pardon, annulment, or other equivalent procedure.

<u>NEW SECTION.</u> Sec. 802. (1) The department of early learning is hereby abolished and its powers, duties, and functions are hereby transferred to the department of children, youth, and families. All references to the secretary or the department of early learning in the Revised Code of Washington shall be construed to mean the secretary or the department of children, youth, and families.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of early learning shall be delivered to the custody of the department of children, youth, and families. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of early learning shall be made available to the department of children, youth, and families. All funds, credits, or other assets held by the department of early learning shall be assigned to the department of children, youth, and families.

(b) Any appropriations made to the department of early learning shall, on the effective date of this section, be transferred and credited to the department of children, youth, and families.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and

functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of early learning are transferred to the jurisdiction of the department of children, youth, and families. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of children, youth, and families to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of early learning shall be continued and acted upon by the department of children, youth, and families. All existing contracts and obligations shall remain in full force and shall be performed by the department of children, youth, and families.

(5) The transfer of the powers, duties, functions, and personnel of the department of early learning shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7)(a) The bargaining units of employees at the department of early learning existing on the effective date of this section that are transferred to the department of children, youth, and families shall be considered separate appropriate units within the department of children, youth, and families unless and until modified by the public employment relations commission pursuant to Title 391 WAC. The exclusive bargaining representatives recognized as representing the bargaining units of employees at the department of early learning existing on the effective date of this section shall continue as the exclusive bargaining representatives of the transferred bargaining units without the necessity of an election.

(b) The public employment relations commission may review the appropriateness of the collective bargaining units that are a result of the transfer from the department of early learning to the department of children, youth, and families under chapter . . ., Laws of 2017 3rd sp. sess. (this act). The employer or the exclusive bargaining representative may petition the public employment relations commission to review the bargaining units in accordance with this section.

<u>NEW SECTION.</u> Sec. 803. (1) All powers, duties, and functions of the department of social and health services pertaining to child welfare services under chapters 13.34, 13.36, 13.38, 13.50, 13.60, 13.64, 26.33, 26.44, 74.13, 74.13A, 74.14B, 74.14C, and 74.15 RCW are transferred to the department of children, youth, and families. All references to the secretary or the department of social and health services in the Revised Code of Washington shall be construed to mean the secretary or the department of children, youth, and families when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of social and health services

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pertaining to the powers, duties, and functions transferred shall be delivered to the custody of the department of children, youth, and families. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of social and health services in carrying out the powers, duties, and functions transferred shall be made available to the department of children, youth, and families. All funds, credits, or other assets held in connection with the powers, duties, and functions transferred shall be assigned to the department of children, youth, and families.

(b) Any appropriations made to the department of social and health services for carrying out the powers, duties, and functions transferred shall, on the effective date of this section, be transferred and credited to the department of children, youth, and families.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of social and health services engaged in performing the powers, duties, and functions transferred are transferred to the jurisdiction of the department of children, youth, and families. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of children, youth, and families to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of social and health services pertaining to the powers, duties, and functions transferred shall be continued and acted upon by the department of children, youth, and families. All existing contracts and obligations shall remain in full force and shall be performed by the department of children, youth, and families.

(5) The transfer of the powers, duties, functions, and personnel of the department of social and health services shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7)(a) The portions of any bargaining units of employees at the department of social and health services existing on the effective date of this section that are transferred to the department of children, youth, and families shall be considered separate appropriate units within the department of children, youth, and families unless and until modified by the public employment relations commission pursuant to Title 391 WAC. The exclusive bargaining representatives recognized as representing the portions of the bargaining units of employees at the department of social and health services existing on the effective date of this section shall continue as the exclusive bargaining representatives of the transferred bargaining units without the necessity of an election.

(b) The public employment relations commission may review the appropriateness of the collective bargaining units that are a result of the transfer from the department of social and health services to the department of children, youth, and families under chapter . . ., Laws of 2017 3rd sp. sess. (this act). The employer or the exclusive bargaining representative may petition the public employment relations commission to review the bargaining units in accordance with this section.

<u>NEW SECTION.</u> Sec. 804. (1) All powers, duties, and functions of the department of social and health services pertaining to juvenile justice services under chapters 13.04, 13.06, 13.16, 13.40, 28A.190, 28A.225, 74.14A, 72.01, 72.05, 72.09, 72.19, 71.34, and 72.72 RCW are transferred to the department of children, youth, and families. All references to the secretary or the department of social and health services in the Revised Code of Washington shall be construed to mean the secretary or the department of children, youth, and families the referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of social and health services pertaining to the powers, duties, and functions transferred shall be delivered to the custody of the department of children, youth, and families. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of social and health services in carrying out the powers, duties, and functions transferred shall be made available to the department of children, youth, and families. All funds, credits, or other assets held in connection with the powers, duties, and functions transferred shall be assigned to the department of children, youth, and families.

(b) Any appropriations made to the department of social and health services for carrying out the powers, duties, and functions transferred shall, on the effective date of this section, be transferred and credited to the department of children, youth, and families.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of social and health services engaged in performing the powers, duties, and functions transferred are transferred to the jurisdiction of the department of children, youth, and families. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of children, youth, and families to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of social and health services pertaining to the powers, duties, and functions transferred shall be continued and acted upon by the department of children, youth, and families. All existing contracts and obligations shall remain in full force and shall be performed by the department of children, youth, and families.

(5) The transfer of the powers, duties, functions, and personnel of the department of social and health services shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7)(a) The portions of any bargaining units of employees at the department of social and health services existing on the effective date of this section that are transferred to the department of children, youth, and families shall be considered separate appropriate units within the department of children, youth, and families unless and until modified by the public employment relations commission pursuant to Title 391 WAC. The exclusive bargaining representatives recognized as representing the portions of the bargaining units of employees at the department of social and health services existing on the effective date of this section shall continue as the exclusive bargaining representatives of the transferred bargaining units without the necessity of an election.

(b) The public employment relations commission may review the appropriateness of the collective bargaining units that are a result of the transfer from the department of social and health services to the department of children, youth, and families under chapter . . ., Laws of 2017 3rd sp. sess. (this act). The employer or the exclusive bargaining representative may petition the public employment relations commission to review the bargaining units in accordance with this section.

Sec. 805. RCW 9.96A.060 and 2001 c 296 s 2 are each amended to read as follows:

This chapter is not applicable to the department of social and health services or the department of children, youth, and families when employing a person, who in the course of his or her employment, has or may have unsupervised access to any person who is under the age of eighteen, who is under the age of twenty-one and has been sentenced to a term of confinement under the supervision of the department of ((social and health services)) children, youth, and families under chapter 13.40 RCW, who is a vulnerable adult under chapter 74.34 RCW, or who is a vulnerable person. For purposes of this section "vulnerable person" means an adult of any age who lacks the functional, mental, or physical ability to care for himself or herself.

Sec. 806. RCW 9.97.020 and 2017 c 281 s 35 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.---RCW (the new chapter created in section 33, chapter 281, Laws of 2017); private investigators, chapter 18.165 RCW; real estate brokers and salespersons, chapters 18.85 and 18.86 RCW; security guards, chapter 18.170 RCW; and vulnerable adult care providers, RCW 43.43.842.

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

(b) Unless otherwise addressed in statute, in cases where an applicant would be disqualified under RCW 43.20A.710, and the applicant has obtained a certificate of restoration of opportunity, the department of social and health services <u>and the department of children</u>, 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 ((<del>its</del>)) 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) If the practice of a profession or business involves unsupervised contact with vulnerable adults, children, or individuals with mental illness or developmental disabilities, or populations otherwise defined by statute as vulnerable, the department of health may, after review of relevant factors, including the nature and seriousness of the offense, time that has passed since conviction, changed circumstances since the offense occurred, and the nature of the employment or license sought, at its discretion:

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

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

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

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

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

(i) Applies to all past criminal history; or

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

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

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

(3) An employer or housing provider may, in its sole discretion, determine whether to consider a certificate of restoration of opportunity issued under this chapter in making employment or rental decisions. An employer or housing provider is immune from suit in law, equity, or under the administrative procedure act for damages based upon its exercise of discretion under this section or the refusal to exercise such discretion. In any action at law against an employer or housing provider arising out of the employment of or provision of housing to the recipient of a certificate of restoration of opportunity, evidence of the crime for which a certificate of negligence or intentionally tortious conduct on the part of the employer or housing provider. This subsection does not create a protected class, private right of action, any right, privilege, or duty, or to change any right, privilege, or duty existing under law related to employment or housing except as provided in RCW 7.60.035.

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

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

(c) Court records:

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

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

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

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

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

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

(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 to implement this subsection (4)(f).

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

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

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

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

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

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

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

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

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

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

Sec. 807. RCW 41.06.475 and 2007 c 387 s 8 are each amended to read as follows:

The director shall adopt rules, in cooperation with the ((director)) secretary of the department of ((early learning)) children, youth, and families, for the background investigation of current employees and of persons being actively considered for positions with the department who will or may have unsupervised access to children. The director shall also adopt rules, in cooperation with the ((director)) secretary of the department of ((early learning)) children, youth, and families, for background investigation of positions otherwise required by federal law to meet employment standards. "Considered for positions" includes decisions about (1) initial hiring, layoffs, reallocations, transfers, promotions, or demotions, or (2) 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.

Sec. 808. RCW 41.56.030 and 2015 2nd sp.s. c 6 s 1 are each amended to read as follows:

As used in this chapter:

(1) "Adult family home provider" means a provider as defined in RCW 70.128.010 who receives payments from the medicaid and state-funded long-term care programs.

(2) "Bargaining representative" means any lawful organization which has as one of its primary purposes the representation of employees in their employment relations with employers. (3) "Child care subsidy" means a payment from the state through a child care subsidy program established pursuant to RCW 74.12.340 or 74.08A.340, 45 C.F.R. Sec. 98.1 through 98.17, or any successor program.

(4) "Collective bargaining" means the performance of the mutual obligations of the public employer and the exclusive bargaining representative to meet at reasonable times, to confer and negotiate in good faith, and to execute a written agreement with respect to grievance procedures and collective negotiations on personnel matters, including wages, hours and working conditions, which may be peculiar to an appropriate bargaining unit of such public employer, except that by such obligation neither party shall be compelled to agree to a proposal or be required to make a concession unless otherwise provided in this chapter.

(5) "Commission" means the public employment relations commission.

(6) "Executive director" means the executive director of the commission.

(7) "Family child care provider" means a person who: (a) Provides regularly scheduled care for a child or children in the home of the provider or in the home of the child or children for periods of less than twenty-four hours or, if necessary due to the nature of the parent's work, for periods equal to or greater than twenty-four hours; (b) receives child care subsidies; and (c) <u>under chapter 43.215 RCW</u> (as recodified by this act), is either licensed by the state ((<del>under RCW 74.15.030</del>)) or is exempt from licensing ((<del>under chapter 74.15 RCW</del>)).

(8) "Individual provider" means an individual provider as defined in RCW 74.39A.240(4) who, solely for the purposes of collective bargaining, is a public employee as provided in RCW 74.39A.270.

(9) "Institution of higher education" means the University of Washington, Washington State University, Central Washington University, Eastern Washington University, Western Washington University, The Evergreen State College, and the various state community colleges.

(10)(a) "Language access provider" means any independent contractor who provides spoken language interpreter services for department of social and health services appointments or medicaid enrollee appointments, <u>or department</u> <u>of children</u>, youth, and families appointments, or provided these services on or after January 1, 2009, and before June 10, 2010, whether paid by a broker, language access agency, or the department.

(b) "Language access provider" does not mean an owner, manager, or employee of a broker or a language access agency.

(11) "Public employee" means any employee of a public employer except any person (a) elected by popular vote, or (b) appointed to office pursuant to statute, ordinance or resolution for a specified term of office as a member of a multimember board, commission, or committee, whether appointed by the executive head or body of the public employer, or (c) whose duties as deputy, administrative assistant or secretary necessarily imply a confidential relationship to (i) the executive head or body of the applicable bargaining unit, or (ii) any person elected by popular vote, or (iii) any person appointed to office pursuant to statute, ordinance or resolution for a specified term of office as a member of a multimember board, commission, or committee, whether appointed by the executive head or body of the public employer, or (d) who is a court commissioner or a court magistrate of superior court, district court, or a department of a district court organized under chapter 3.46 RCW, or (e) who is a personal assistant to a district court judge, superior court judge, or court commissioner. For the purpose of (e) of this subsection, no more than one assistant for each judge or commissioner may be excluded from a bargaining unit.

(12) "Public employer" means any officer, board, commission, council, or other person or body acting on behalf of any public body governed by this chapter, or any subdivision of such public body. For the purposes of this section, the public employer of district court or superior court employees for wagerelated matters is the respective county legislative authority, or person or body acting on behalf of the legislative authority, and the public employer for nonwage-related matters is the judge or judge's designee of the respective district court or superior court.

(13) "Uniformed personnel" means: (a) Law enforcement officers as defined in RCW 41.26.030 employed by the governing body of any city or town with a population of two thousand five hundred or more and law enforcement officers employed by the governing body of any county with a population of ten thousand or more; (b) correctional employees who are uniformed and nonuniformed, commissioned and noncommissioned security personnel employed in a jail as defined in RCW 70.48.020(9), by a county with a population of seventy thousand or more, and who are trained for and charged with the responsibility of controlling and maintaining custody of inmates in the jail and safeguarding inmates from other inmates; (c) general authority Washington peace officers as defined in RCW 10.93.020 employed by a port district in a county with a population of one million or more; (d) security forces established under RCW 43.52.520; (e) firefighters as that term is defined in RCW 41.26.030; (f) employees of a port district in a county with a population of one million or more whose duties include crash fire rescue or other firefighting duties; (g) employees of fire departments of public employers who dispatch exclusively either fire or emergency medical services, or both; (h) employees in the several classes of advanced life support technicians, as defined in RCW 18.71.200, who are employed by a public employer; or (i) court marshals of any county who are employed by, trained for, and commissioned by the county sheriff and charged with the responsibility of enforcing laws, protecting and maintaining security in all county-owned or contracted property, and performing any other duties assigned to them by the county sheriff or mandated by judicial order.

Sec. 809. RCW 41.56.510 and 2010 c 296 s 2 are each amended to read as follows:

(1) In addition to the entities listed in RCW 41.56.020, this chapter applies to the governor with respect to language access providers. Solely for the purposes of collective bargaining and as expressly limited under subsections (2) and (3) of this section, the governor is the public employer of language access providers who, solely for the purposes of collective bargaining, are public employees. The governor or the governor's designee shall represent the public employer for bargaining purposes.

(2) There shall be collective bargaining, as defined in RCW 41.56.030, between the governor and language access providers, except as follows:

(a) A statewide unit of all language access providers is the only unit appropriate for purposes of collective bargaining under RCW 41.56.060;

(b) The exclusive bargaining representative of language access providers in the unit specified in (a) of this subsection shall be the representative chosen in an election conducted pursuant to RCW 41.56.070.

Bargaining authorization cards furnished as the showing of interest in support of any representation petition or motion for intervention filed under this section are exempt from disclosure under chapter 42.56 RCW;

(c) Notwithstanding the definition of "collective bargaining" in RCW 41.56.030(4), the scope of collective bargaining for language access providers under this section is limited solely to: (i) Economic compensation, such as the manner and rate of payments; (ii) professional development and training; (iii) labor-management committees; and (iv) grievance procedures. Retirement benefits are not subject to collective bargaining. By such obligation neither party may be compelled to agree to a proposal or be required to make a concession unless otherwise provided in this chapter;

(d) In addition to the entities listed in the mediation and interest arbitration provisions of RCW 41.56.430 through 41.56.470 and 41.56.480, the provisions apply to the governor or the governor's designee and the exclusive bargaining representative of language access providers, except that:

(i) In addition to the factors to be taken into consideration by an interest arbitration panel under RCW 41.56.465, the panel shall consider the financial ability of the state to pay for the compensation and benefit provisions of a collective bargaining agreement;

(ii) The decision of the arbitration panel is not binding on the legislature and, if the legislature does not approve the request for funds necessary to implement the compensation and benefit provisions of the arbitrated collective bargaining agreement, the decision is not binding on the state;

(e) Language access providers do not have the right to strike.

(3) Language access providers who are public employees solely for the purposes of collective bargaining under subsection (1) of this section are not, for that reason, employees of the state for any other purpose. This section applies only to the governance of the collective bargaining relationship between the employer and language access providers as provided in subsections (1) and (2) of this section.

(4) Each party with whom the department of social and health services <u>or</u> the department of children, youth, and families contracts for language access services and each of their subcontractors shall provide to the department an accurate list of language access providers, as defined in RCW 41.56.030, including their names, addresses, and other contact information, annually by January 30th, except that initially the lists must be provided within thirty days of June 10, 2010. The department shall, upon request, provide a list of all language access providers, including their names, addresses, and other contact information, to a labor union seeking to represent language access providers.

(5) This section does not create or modify:

(a) The department's obligation to comply with the federal statute and regulations; and

(b) The legislature's right to make programmatic modifications to the delivery of state services under chapter 74.04 RCW. The governor may not enter into, extend, or renew any agreement under this chapter that does not expressly reserve the legislative rights described in this subsection.

(6) Upon meeting the requirements of subsection (7) of this section, the governor must submit, as a part of the proposed biennial or supplemental operating budget submitted to the legislature under RCW 43.88.030, a request for funds necessary to implement the compensation and benefit provisions of a collective bargaining agreement entered into under this section or for legislation necessary to implement the agreement.

(7) A request for funds necessary to implement the compensation and benefit provisions of a collective bargaining agreement entered into under this section may not be submitted by the governor to the legislature unless the request has been:

(a) Submitted to the director of financial management by October 1st prior to the legislative session at which the requests are to be considered, except that, for initial negotiations under this section, the request may not be submitted before July 1, 2011; and

(b) Certified by the director of financial management as financially feasible for the state or reflective of a binding decision of an arbitration panel reached under subsection (2)(d) of this section.

(8) The legislature must approve or reject the submission of the request for funds as a whole. If the legislature rejects or fails to act on the submission, any collective bargaining agreement must be reopened for the sole purpose of renegotiating the funds necessary to implement the agreement.

(9) If, after the compensation and benefit provisions of an agreement are approved by the legislature, a significant revenue shortfall occurs resulting in reduced appropriations, as declared by proclamation of the governor or by resolution of the legislature, both parties shall immediately enter into collective bargaining for a mutually agreed upon modification of the agreement.

(10) After the expiration date of any collective bargaining agreement entered into under this section, all of the terms and conditions specified in the agreement remain in effect until the effective date of a subsequent agreement, not to exceed one year from the expiration date stated in the agreement.

(11) In enacting this section, the legislature intends to provide state action immunity under federal and state antitrust laws for the joint activities of language access providers and their exclusive bargaining representative to the extent the activities are authorized by this chapter.

Sec. 810. RCW 43.06A.100 and 2015 c 199 s 2 are each amended to read as follows:

(1) The department of ((social and health services and the department of early learning)) children, youth, and families shall:

(a) Allow the ombuds or the ombuds's designee to communicate privately with any child in the custody of the department of ((social and health services)) children, youth, and families, or any child who is part of a near fatality investigation by the department of ((early learning)) children, youth, and families, for the purposes of carrying out its duties under this chapter;

(b) Permit the ombuds or the ombuds designee physical access to state institutions serving children, and state licensed facilities or residences for the purpose of carrying out its duties under this chapter;

(c) Upon the ombuds's request, grant the ombuds or the ombuds's designee the right to access, inspect, and copy all relevant information, records, or documents in the possession or control of the department of ((social and health services or the department of early learning)) <u>children, youth, and families</u> that the ombuds considers necessary in an investigation; and

(d) Grant the office of the family and children's ombuds unrestricted online access to the child welfare case management information system and the department of ((early learning)) children, youth, and families data information system for the purpose of carrying out its duties under this chapter.

(2) For the purposes of this section, "near fatality" means an act that, as certified by a physician, places the child in serious or critical condition.

(3) Nothing in this section creates a duty for the office of the family and children's ombuds under RCW 43.06A.030 as related to children in the care of an early learning program described in RCW 43.215.400 through 43.215.450 (as recodified by this act), a licensed child care center, or a licensed child care home.

Sec. 811. RCW 43.20A.090 and 1994 sp.s. c 7 s 515 are each amended to read as follows:

The secretary shall appoint a deputy secretary, a department personnel director and such assistant secretaries as shall be needed to administer the department. The deputy secretary shall have charge and general supervision of the department in the absence or disability of the secretary, and in case of a vacancy in the office of secretary, shall continue in charge of the department until a successor is appointed and qualified, or until the governor shall appoint an acting secretary. ((The secretary shall appoint an assistant secretary to administer the juvenile rehabilitation responsibilities required of the department by chapters 13.04, 13.40, and 13.50 RCW.)) The officers appointed under this section, and exempt from the provisions of the state civil service law by the terms of RCW 41.06.076, shall be paid salaries to be fixed by the governor in accordance with the procedure established by law for the fixing of salaries for officers exempt from the operation of the state civil service law.

Sec. 812. RCW 43.06A.060 and 2013 c 23 s 75 are each amended to read as follows:

Neither the ombuds nor the ombuds's staff may be compelled, in any judicial or administrative proceeding, to testify or to produce evidence regarding the exercise of the official duties of the ombuds or of the ombuds's staff. All related memoranda, work product, notes, and case files of the ombuds's office are confidential, are not subject to discovery, judicial or administrative subpoena, or other method of legal compulsion, and are not admissible in evidence in a judicial or administrative proceeding. This section shall not apply to the ((legislative children's oversight committee)) oversight board for children, youth, and families.

Sec. 813. RCW 43.06A.070 and 2013 c 23 s 76 are each amended to read as follows:

Identifying information about complainants or witnesses shall not be subject to any method of legal compulsion, nor shall such information be revealed to the ((legislative children's oversight committee)) oversight board for children, youth, and families or the governor except under the following circumstances: (1) The complainant or witness waives confidentiality; (2) under a legislative subpoena when there is a legislative investigation for neglect of duty or misconduct by the ombuds or ombuds's office when the identifying information is necessary to the investigation of the ombuds's acts; or (3) under an investigation or inquiry by the governor as to neglect of duty or misconduct by the ombuds or ombuds's office when the identifying information is necessary to the investigation of the ombuds's acts.

For the purposes of this section, "identifying information" includes the complainant's or witness's name, location, telephone number, likeness, social security number or other identification number, or identification of immediate family members.

Sec. 814. RCW 43.15.020 and 2015 c 225 s 61 are each amended to read as follows:

The lieutenant governor serves as president of the senate and is responsible for making appointments to, and serving on, the committees and boards as set forth in this section.

(1) The lieutenant governor serves on the following boards and committees:

(a) Capitol furnishings preservation committee, RCW 27.48.040;

(b) Washington higher education facilities authority, RCW 28B.07.030;

(c) Productivity board, also known as the employee involvement and recognition board, RCW 41.60.015;

(d) State finance committee, RCW 43.33.010;

(e) State capitol committee, RCW 43.34.010;

(f) Washington health care facilities authority, RCW 70.37.030;

(g) State medal of merit nominating committee, RCW 1.40.020;

(h) Medal of valor committee, RCW 1.60.020; and

(i) Association of Washington generals, RCW 43.15.030.

(2) The lieutenant governor, and when serving as president of the senate, appoints members to the following boards and committees:

(a) Civil legal aid oversight committee, RCW 2.53.010;

(b) Office of public defense advisory committee, RCW 2.70.030;

(c) Washington state gambling commission, RCW 9.46.040;

(d) Sentencing guidelines commission, RCW 9.94A.860;

(e) State building code council, RCW 19.27.070;

(f) Financial education public-private partnership, RCW 28A.300.450;

(g) Joint administrative rules review committee, RCW 34.05.610;

(h) Capital projects advisory review board, RCW 39.10.220;

(i) Select committee on pension policy, RCW 41.04.276;

(j) Legislative ethics board, RCW 42.52.310;

(k) Washington citizens' commission on salaries, RCW 43.03.305;

(l) Legislative oral history committee, RCW 44.04.325;

(m) State council on aging, RCW 43.20A.685;

(n) State investment board, RCW 43.33A.020;

(o) Capitol campus design advisory committee, RCW 43.34.080;

(p) Washington state arts commission, RCW 43.46.015;

(q) PNWER-Net working subgroup under chapter 43.147 RCW;

(r) Community economic revitalization board, RCW 43.160.030;

(s) Washington economic development finance authority, RCW 43.163.020;

(t) Life sciences discovery fund authority, RCW 43.350.020;

(u) ((Legislative children's oversight committee, RCW 44.04.220;

(v)) Joint legislative audit and review committee, RCW 44.28.010;

 $(((\frac{w})))$  (v) Joint committee on energy supply and energy conservation, RCW 44.39.015;

(((x))) (w) Legislative evaluation and accountability program committee, RCW 44.48.010;

(((y))) (x) Agency council on coordinated transportation, RCW 47.06B.020;

(((<del>z)</del>)) (v) Washington horse racing commission, RCW 67.16.014;

(((aa))) (z) Correctional industries board of directors, RCW 72.09.080;

(((<del>bb)</del>))) (<u>aa</u>) Joint committee on veterans' and military affairs, RCW 73.04.150;

((<del>(ce)</del>)) (<u>bb</u>) Joint legislative committee on water supply during drought, RCW 90.86.020;

(((dd))) (cc) Statute law committee, RCW 1.08.001; and

(((ee))) (dd) Joint legislative oversight committee on trade policy, RCW 44.55.020.

Sec. 815. RCW 70.02.200 and 2017 c 298 s 3 are each amended to read as follows:

(1) In addition to the disclosures authorized by RCW 70.02.050 and 70.02.210, a health care provider or health care facility may disclose health care information, except for information and records related to sexually transmitted diseases and information related to mental health services which are addressed by RCW 70.02.220 through 70.02.260, about a patient without the patient's authorization, to:

(a) Any other health care provider or health care facility reasonably believed to have previously provided health care to the patient, to the extent necessary to provide health care to the patient, unless the patient has instructed the health care provider or health care facility in writing not to make the disclosure;

(b) Persons under RCW 70.02.--- (section 1, chapter 298, Laws of 2017) if the conditions in RCW 70.02.--- (section 1, chapter 298, Laws of 2017) are met;

(c) A health care provider or health care facility who is the successor in interest to the health care provider or health care facility maintaining the health care information;

(d) A person who obtains information for purposes of an audit, if that person agrees in writing to:

(i) Remove or destroy, at the earliest opportunity consistent with the purpose of the audit, information that would enable the patient to be identified; and

(ii) Not to disclose the information further, except to accomplish the audit or report unlawful or improper conduct involving fraud in payment for health care by a health care provider or patient, or other unlawful conduct by the health care provider;

(e) Provide directory information, unless the patient has instructed the health care provider or health care facility not to make the disclosure;

(f) Fire, police, sheriff, or other public authority, that brought, or caused to be brought, the patient to the health care facility or health care provider if the disclosure is limited to the patient's name, residence, sex, age, occupation, condition, diagnosis, estimated or actual discharge date, or extent and location of injuries as determined by a physician, and whether the patient was conscious when admitted;

(g) Federal, state, or local law enforcement authorities and the health care provider, health care facility, or third-party payor believes in good faith that the health care information disclosed constitutes evidence of criminal conduct that occurred on the premises of the health care provider, health care facility, or thirdparty payor;

(h) Another health care provider, health care facility, or third-party payor for the health care operations of the health care provider, health care facility, or third-party payor that receives the information, if each entity has or had a relationship with the patient who is the subject of the health care information being requested, the health care information pertains to such relationship, and the disclosure is for the purposes described in RCW 70.02.010(17) (a) and (b);

(i) An official of a penal or other custodial institution in which the patient is detained; and

(j) Any law enforcement officer, corrections officer, or guard supplied by a law enforcement or corrections agency who is accompanying a patient pursuant to RCW 10.110.020, only to the extent the disclosure is incidental to the fulfillment of the role of the law enforcement officer, corrections officer, or guard under RCW 10.110.020.

(2) In addition to the disclosures required by RCW 70.02.050 and 70.02.210, a health care provider shall disclose health care information, except for information related to sexually transmitted diseases and information related to mental health services which are addressed by RCW 70.02.220 through 70.02.260, about a patient without the patient's authorization if the disclosure is:

(a) To federal, state, or local law enforcement authorities to the extent the health care provider is required by law;

(b) To federal, state, or local law enforcement authorities, upon receipt of a written or oral request made to a nursing supervisor, administrator, or designated privacy official, in a case in which the patient is being treated or has been treated for a bullet wound, gunshot wound, powder burn, or other injury arising from or caused by the discharge of a firearm, or an injury caused by a knife, an ice pick, or any other sharp or pointed instrument which federal, state, or local law enforcement authorities reasonably believe to have been intentionally inflicted upon a person, or a blunt force injury that federal, state, or local law enforcement authorities reasonably believe resulted from a criminal act, the following information, if known:

(i) The name of the patient;

(ii) The patient's residence;

(iii) The patient's sex;

(iv) The patient's age;

(v) The patient's condition;

(vi) The patient's diagnosis, or extent and location of injuries as determined by a health care provider;

(vii) Whether the patient was conscious when admitted;

(viii) The name of the health care provider making the determination in (b)(v), (vi), and (vii) of this subsection;

(ix) Whether the patient has been transferred to another facility; and

(x) The patient's discharge time and date;

(c) Pursuant to compulsory process in accordance with RCW 70.02.060.

(3) To the extent they retain health care information subject to this chapter, the department of social and health services and the health care authority shall disclose to the department of children, youth, and families health care information, except for information and records related to sexually transmitted diseases and information related to mental health services that are addressed by RCW 70.02.220 through 70.02.260, about a patient without the patient's authorization, for the purpose of investigating and preventing child abuse and neglect and providing for the health care coordination and the well-being of children in foster care. Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act.

**Sec. 816.** RCW 70.02.230 and 2017 c 325 s 2 and 2017 c 298 s 6 are each reenacted and amended to read as follows:

(1) Except as provided in this section, RCW 70.02.050, 71.05.445, 74.09.295, 70.02.210, 70.02.240, 70.02.250, and 70.02.260, or pursuant to a valid authorization under RCW 70.02.030, the fact of admission to a provider for mental health services and all information and records compiled, obtained, or maintained in the course of providing mental health services to either voluntary or involuntary recipients of services at public or private agencies must be confidential.

(2) Information and records related to mental health services, other than those obtained through treatment under chapter 71.34 RCW, may be disclosed only:

(a) In communications between qualified professional persons to meet the requirements of chapter 71.05 RCW, in the provision of services or appropriate referrals, or in the course of guardianship proceedings if provided to a professional person:

(i) Employed by the facility;

(ii) Who has medical responsibility for the patient's care;

(iii) Who is a designated crisis responder;

(iv) Who is providing services under chapter 71.24 RCW;

 $\left(v\right)$  Who is employed by a state or local correctional facility where the person is confined or supervised; or

(vi) Who is providing evaluation, treatment, or follow-up services under chapter 10.77 RCW;

(b) When the communications regard the special needs of a patient and the necessary circumstances giving rise to such needs and the disclosure is made by a facility providing services to the operator of a facility in which the patient resides or will reside;

(c)(i) When the person receiving services, or his or her guardian, designates persons to whom information or records may be released, or if the person is a minor, when his or her parents make such a designation;

(ii) A public or private agency shall release to a person's next of kin, attorney, personal representative, guardian, or conservator, if any:

(A) The information that the person is presently a patient in the facility or that the person is seriously physically ill;

(B) A statement evaluating the mental and physical condition of the patient, and a statement of the probable duration of the patient's confinement, if such information is requested by the next of kin, attorney, personal representative, guardian, or conservator; and

(iii) Other information requested by the next of kin or attorney as may be necessary to decide whether or not proceedings should be instituted to appoint a guardian or conservator; (d)(i) To the courts as necessary to the administration of chapter 71.05 RCW or to a court ordering an evaluation or treatment under chapter 10.77 RCW solely for the purpose of preventing the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.

(ii) To a court or its designee in which a motion under chapter 10.77 RCW has been made for involuntary medication of a defendant for the purpose of competency restoration.

(iii) Disclosure under this subsection is mandatory for the purpose of the federal health insurance portability and accountability act;

(e)(i) When a mental health professional or designated crisis responder is requested by a representative of a law enforcement or corrections agency, including a police officer, sheriff, community corrections officer, a municipal attorney, or prosecuting attorney to undertake an investigation or provide treatment under RCW 71.05.150, 10.31.110, or 71.05.153, the mental health professional or designated crisis responder shall, if requested to do so, advise the representative in writing of the results of the investigation including a statement of reasons for the decision to detain or release the person investigated. The written report must be submitted within seventy-two hours of the completion of the investigation or the request from the law enforcement or corrections representative, whichever occurs later.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(f) To the attorney of the detained person;

(g) To the prosecuting attorney as necessary to carry out the responsibilities of the office under RCW 71.05.330(2), 71.05.340(1)(b), and 71.05.335. The prosecutor must be provided access to records regarding the committed person's treatment and prognosis, medication, behavior problems, and other records relevant to the issue of whether treatment less restrictive than inpatient treatment is in the best interest of the committed person or others. Information must be disclosed only after giving notice to the committed person and the person's counsel;

(h)(i) To appropriate law enforcement agencies and to a person, when the identity of the person is known to the public or private agency, whose health and safety has been threatened, or who is known to have been repeatedly harassed, by the patient. The person may designate a representative to receive the disclosure. The disclosure must be made by the professional person in charge of the public or private agency or his or her designee and must include the dates of commitment, admission, discharge, or release, authorized or unauthorized absence from the agency's facility, and only any other information that is pertinent to the threat or harassment. The agency or its employees are not civilly liable for the decision to disclose or not, so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(i)(i) To appropriate corrections and law enforcement agencies all necessary and relevant information in the event of a crisis or emergent situation that poses a significant and imminent risk to the public. The mental health service agency or its employees are not civilly liable for the decision to disclose or not so long as the decision was reached in good faith and without gross negligence. (ii) Disclosure under this subsection is mandatory for the purposes of the health insurance portability and accountability act;

(j) To the persons designated in RCW 71.05.425 for the purposes described in those sections;

(k) Upon the death of a person. The person's next of kin, personal representative, guardian, or conservator, if any, must be notified. Next of kin who are of legal age and competent must be notified under this section in the following order: Spouse, parents, children, brothers and sisters, and other relatives according to the degree of relation. Access to all records and information compiled, obtained, or maintained in the course of providing services to a deceased patient are governed by RCW 70.02.140;

(1) To mark headstones or otherwise memorialize patients interred at state hospital cemeteries. The department of social and health services shall make available the name, date of birth, and date of death of patients buried in state hospital cemeteries fifty years after the death of a patient;

(m) To law enforcement officers and to prosecuting attorneys as are necessary to enforce RCW 9.41.040(2)(a)(iii). The extent of information that may be released is limited as follows:

(i) Only the fact, place, and date of involuntary commitment, an official copy of any order or orders of commitment, and an official copy of any written or oral notice of ineligibility to possess a firearm that was provided to the person pursuant to RCW 9.41.047(1), must be disclosed upon request;

(ii) The law enforcement and prosecuting attorneys may only release the information obtained to the person's attorney as required by court rule and to a jury or judge, if a jury is waived, that presides over any trial at which the person is charged with violating RCW 9.41.040(2)(a)(iii);

(iii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(n) When a patient would otherwise be subject to the provisions of this section and disclosure is necessary for the protection of the patient or others due to his or her unauthorized disappearance from the facility, and his or her whereabouts is unknown, notice of the disappearance, along with relevant information, may be made to relatives, the department of corrections when the person is under the supervision of the department, and governmental law enforcement agencies designated by the physician or psychiatric advanced registered nurse practitioner in charge of the patient or the professional person in charge of the facility, or his or her professional designee;

(o) Pursuant to lawful order of a court;

(p) To qualified staff members of the department, to the director of behavioral health organizations, to resource management services responsible for serving a patient, or to service providers designated by resource management services as necessary to determine the progress and adequacy of treatment and to determine whether the person should be transferred to a less restrictive or more appropriate treatment modality or facility;

(q) Within the mental health service agency where the patient is receiving treatment, confidential information may be disclosed to persons employed, serving in bona fide training programs, or participating in supervised volunteer programs, at the facility when it is necessary to perform their duties;

(r) Within the department as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or drug abuse of persons who are under the supervision of the department;

(s) Between the department of social and health services, the department of children, youth, and families, and the health care authority as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or drug abuse of persons who are under the supervision of the department of social and health services or the department of children, youth, and families;

(t) To a licensed physician or psychiatric advanced registered nurse practitioner who has determined that the life or health of the person is in danger and that treatment without the information and records related to mental health services could be injurious to the patient's health. Disclosure must be limited to the portions of the records necessary to meet the medical emergency;

(((t))) (u)(i) Consistent with the requirements of the federal health insurance portability and accountability act, to:

(A) A health care provider who is providing care to a patient, or to whom a patient has been referred for evaluation or treatment; or

(B) Any other person who is working in a care coordinator role for a health care facility or health care provider or is under an agreement pursuant to the federal health insurance portability and accountability act with a health care facility or a health care provider and requires the information and records to assure coordinated care and treatment of that patient.

(ii) A person authorized to use or disclose information and records related to mental health services under this subsection (2)(((+))) (u) must take appropriate steps to protect the information and records relating to mental health services.

(iii) Psychotherapy notes may not be released without authorization of the patient who is the subject of the request for release of information;

(((u))) (v) To administrative and office support staff designated to obtain medical records for those licensed professionals listed in (((t))) (u) of this subsection;

(((v))) (w) To a facility that is to receive a person who is involuntarily committed under chapter 71.05 RCW, or upon transfer of the person from one evaluation and treatment facility to another. The release of records under this subsection is limited to the information and records related to mental health services required by law, a record or summary of all somatic treatments, and a discharge summary. The discharge summary may include a statement of the patient's problem, the treatment goals, the type of treatment which has been provided, and recommendation for future treatment, but may not include the patient's complete treatment record;

(((w))) (x) To the person's counsel or guardian ad litem, without modification, at any time in order to prepare for involuntary commitment or recommitment proceedings, reexaminations, appeals, or other actions relating to detention, admission, commitment, or patient's rights under chapter 71.05 RCW;

 $(((\mathbf{x})))$  (y) To staff members of the protection and advocacy agency or to staff members of a private, nonprofit corporation for the purpose of protecting and advocating the rights of persons with mental disorders or developmental disabilities. Resource management services may limit the release of information to the name, birthdate, and county of residence of the patient, information regarding whether the patient was voluntarily admitted, or involuntarily

committed, the date and place of admission, placement, or commitment, the name and address of a guardian of the patient, and the date and place of the guardian's appointment. Any staff member who wishes to obtain additional information must notify the patient's resource management services in writing of the request and of the resource management services' right to object. The staff member shall send the notice by mail to the guardian's address. If the guardian does not object in writing within fifteen days after the notice is mailed, the staff member may obtain the additional information. If the guardian objects in writing within fifteen days after the notice is mailed, the staff member may not obtain the additional information.

 $(((\frac{y})))$  (z) To all current treating providers of the patient with prescriptive authority who have written a prescription for the patient within the last twelve months. For purposes of coordinating health care, the department may release without written authorization of the patient, information acquired for billing and collection purposes as described in RCW 70.02.050(1)(d). The department shall notify the patient that billing and collection information has been released to named providers, and provide the substance of the information released and the dates of such release. The department may not release counseling, inpatient psychiatric hospitalization, or drug and alcohol treatment information without a signed written release from the client;

(((z))) (aa)(i) To the secretary of social and health services for either program evaluation or research, or both so long as the secretary adopts rules for the conduct of the evaluation or research, or both. Such rules must include, but need not be limited to, the requirement that all evaluators and researchers sign an oath of confidentiality substantially as follows:

"As a condition of conducting evaluation or research concerning persons who have received services from (fill in the facility, agency, or person) I, ...., agree not to divulge, publish, or otherwise make known to unauthorized persons or the public any information obtained in the course of such evaluation or research regarding persons who have received services such that the person who received such services is identifiable.

I recognize that unauthorized release of confidential information may subject me to civil liability under the provisions of state law.

/s/ . . . . . ."

(ii) Nothing in this chapter may be construed to prohibit the compilation and publication of statistical data for use by government or researchers under standards, including standards to assure maintenance of confidentiality, set forth by the secretary;

(((aa))) (bb) To any person if the conditions in RCW 70.02.--- (section 1, chapter 298, Laws of 2017) are met.

(3) Whenever federal law or federal regulations restrict the release of information contained in the information and records related to mental health services of any patient who receives treatment for chemical dependency, the department may restrict the release of the information as necessary to comply with federal law and regulations.

(4) Civil liability and immunity for the release of information about a particular person who is committed to the department of social and health

services under RCW 71.05.280(3) and 71.05.320(4)(c) after dismissal of a sex offense as defined in RCW 9.94A.030, is governed by RCW 4.24.550.

(5) The fact of admission to a provider of mental health services, as well as all records, files, evidence, findings, or orders made, prepared, collected, or maintained pursuant to chapter 71.05 RCW are not admissible as evidence in any legal proceeding outside that chapter without the written authorization of the person who was the subject of the proceeding except as provided in RCW 70.02.260, in a subsequent criminal prosecution of a person committed pursuant to RCW 71.05.280(3) or 71.05.320(4)(c) on charges that were dismissed pursuant to chapter 10.77 RCW due to incompetency to stand trial, in a civil commitment proceeding pursuant to chapter 71.09 RCW, or, in the case of a minor, a guardianship or dependency proceeding. The records and files maintained in any court proceeding pursuant to chapter 71.05 RCW must be confidential and available subsequent to such proceedings only to the person who was the subject of the proceeding or his or her attorney. In addition, the court may order the subsequent release or use of such records or files only upon good cause shown if the court finds that appropriate safeguards for strict confidentiality are and will be maintained.

(6)(a) Except as provided in RCW 4.24.550, any person may bring an action against an individual who has willfully released confidential information or records concerning him or her in violation of the provisions of this section, for the greater of the following amounts:

(i) One thousand dollars; or

(ii) Three times the amount of actual damages sustained, if any.

(b) It is not a prerequisite to recovery under this subsection that the plaintiff suffered or was threatened with special, as contrasted with general, damages.

(c) Any person may bring an action to enjoin the release of confidential information or records concerning him or her or his or her ward, in violation of the provisions of this section, and may in the same action seek damages as provided in this subsection.

(d) The court may award to the plaintiff, should he or she prevail in any action authorized by this subsection, reasonable attorney fees in addition to those otherwise provided by law.

(e) If an action is brought under this subsection, no action may be brought under RCW 70.02.170.

Sec. 817. RCW 74.04.060 and 2011 1st sp.s. c 15 s 66 are each amended to read as follows:

(1)(a) For the protection of applicants and recipients, the department, the authority, and the county offices and their respective officers and employees are prohibited, except as hereinafter provided, from disclosing the contents of any records, files, papers and communications, except for purposes directly connected with the administration of the programs of this title. In any judicial proceeding, except such proceeding as is directly concerned with the administration of these programs, such records, files, papers and communications, and their contents, shall be deemed privileged communications and except for the right of any individual to inquire of the office whether a named individual is a recipient of welfare assistance and such person shall be entitled to an affirmative or negative answer.

(b) <u>Unless prohibited by federal law, for the purpose of investigating and</u> preventing child abuse and neglect and providing for the health care coordination and well-being of children in foster care, the department and the authority shall disclose to the department of children, youth, and families the following information: Developmental disabilities administration client records; home and community services client records; long-term care facility or certified community residential supports records; health care information; child support information; food assistance information; and public assistance information. Disclosure under this subsection (1)(b) is mandatory for the purposes of the federal health insurance portability and accountability act.

(c) Upon written request of a parent who has been awarded visitation rights in an action for divorce or separation or any parent with legal custody of the child, the department shall disclose to him or her the last known address and location of his or her natural or adopted children. The secretary shall adopt rules which establish procedures for disclosing the address of the children and providing, when appropriate, for prior notice to the custodian of the children. The notice shall state that a request for disclosure has been received and will be complied with by the department unless the department receives a copy of a court order which enjoins the disclosure of the information or restricts or limits the requesting party's right to contact or visit the other party or the child. Information supplied to a parent by the department shall be used only for purposes directly related to the enforcement of the visitation and custody provisions of the court order of separation or decree of divorce. No parent shall disclose such information to any other person except for the purpose of enforcing visitation provisions of the said order or decree.

(((c))) (d) The department shall review methods to improve the protection and confidentiality of information for recipients of welfare assistance who have disclosed to the department that they are past or current victims of domestic violence or stalking.

(2) The county offices shall maintain monthly at their offices a report showing the names and addresses of all recipients in the county receiving public assistance under this title, together with the amount paid to each during the preceding month.

(3) The provisions of this section shall not apply to duly designated representatives of approved private welfare agencies, public officials, members of legislative interim committees and advisory committees when performing duties directly connected with the administration of this title, such as regulation and investigation directly connected therewith: PROVIDED, HOWEVER, That any information so obtained by such persons or groups shall be treated with such degree of confidentiality as is required by the federal social security law.

(4) It shall be unlawful, except as provided in this section, for any person, body, association, firm, corporation or other agency to solicit, publish, disclose, receive, make use of, or to authorize, knowingly permit, participate in or acquiesce in the use of any lists or names for commercial or political purposes of any nature. The violation of this section shall be a gross misdemeanor.

Sec. 818. RCW 74.34.063 and 2005 c 274 s 354 are each amended to read as follows:

(1) The department shall initiate a response to a report, no later than twentyfour hours after knowledge of the report, of suspected abandonment, abuse, financial exploitation, neglect, or self-neglect of a vulnerable adult.

(2) When the initial report or investigation by the department indicates that the alleged abandonment, abuse, financial exploitation, or neglect may be criminal, the department shall make an immediate report to the appropriate law enforcement agency. The department and law enforcement will coordinate in investigating reports made under this chapter. The department may provide protective services and other remedies as specified in this chapter.

(3) The law enforcement agency or the department shall report the incident in writing to the proper county prosecutor or city attorney for appropriate action whenever the investigation reveals that a crime may have been committed.

(4) The department and law enforcement may share information contained in reports and findings of abandonment, abuse, financial exploitation, and neglect of vulnerable adults, consistent with RCW 74.04.060, chapter 42.56 RCW, and other applicable confidentiality laws.

(5) <u>Unless prohibited by federal law, the department of social and health</u> services may share with the department of children, youth, and families information contained in reports and findings of abandonment, abuse, financial exploitation, and neglect of vulnerable adults.

(6) The department shall notify the proper licensing authority concerning any report received under this chapter that alleges that a person who is professionally licensed, certified, or registered under Title 18 RCW has abandoned, abused, financially exploited, or neglected a vulnerable adult.

<u>NEW SECTION.</u> Sec. 819. The following acts or parts of acts are each repealed:

(1) RCW 43.20A.780 (Administration of family services and programs) and 1992 c 198 s 9;

(2) RCW 43.20A.850 (Group homes—Availability of evaluations and data) and 1994 sp.s. c 7 s 322; and

(3) RCW 43.215.040 (Director—Power and duties) and 2006 c 265 s 105.

<u>NEW SECTION.</u> Sec. 820. The following sections are decodified:

(1) RCW 13.40.800 (Juvenile offenses with firearms—Data—Reports);

(2) RCW 43.215.005 (Finding—Purpose);

(3) RCW 43.215.125 (Washington head start program proposal—Report);

(4) RCW 43.215.907 (Evaluation of department by joint legislative audit and review committee);

(5) RCW 72.05.300 (Parental schools—Leases, purchases—Powers of school district); and

(6) RCW 74.14B.900 (Captions).

<u>NEW SECTION.</u> Sec. 821. The following sections are recodified in the new chapter created in section 822 of this act in the following order with the following subchapter headings:

GENERAL PROVISIONS RCW 43.215.010 RCW 43.215.020 RCW 43.215.030 RCW 43.215.050 RCW 43.215.060 RCW 43.215.065 RCW 43.215.070 RCW 43.215.080 RCW 43.215.090 RCW 43.215.099 RCW 43.215.100 RCW 43.215.1001 RCW 43.215.101 RCW 43.215.102 RCW 43.215.103 RCW 43.215.105 RCW 43.215.110 RCW 43.215.120 RCW 43.215.130 RCW 43.215.135 RCW 43.215.1351 RCW 43.215.1352 RCW 43.215.136 RCW 43.215.137 RCW 43.215.140 RCW 43.215.145 RCW 43.215.146 RCW 43.215.147 RCW 43.215.195 RCW 43.215.--- (section 3, chapter 178, Laws of 2017) LICENSING RCW 43.215.200 RCW 43.215.201 RCW 43.215.205 RCW 43.215.210 RCW 43.215.215 RCW 43.215.216 RCW 43.215.217 RCW 43.215.218 RCW 43.215.220 RCW 43.215.230 RCW 43.215.240 RCW 43.215.250 RCW 43.215.255 RCW 43.215.260 RCW 43.215.270 RCW 43.215.280 RCW 43.215.290 RCW 43.215.300 RCW 43.215.305 RCW 43.215.307 RCW 43.215.308 RCW 43.215.310

RCW 43.215.320 RCW 43.215.330 RCW 43.215.335 RCW 43.215.340 RCW 43.215.350 RCW 43.215.355 RCW 43.215.360 RCW 43.215.370 RCW 43.215.371 RCW 43.215.--- (section 2, chapter 162, Laws of 2017) EARLY CHILDHOOD EDUCATION AND ASSISTANCE RCW 43.215.400 RCW 43.215.405 RCW 43.215.410 RCW 43.215.415 RCW 43.215.420 RCW 43.215.425 RCW 43.215.430 RCW 43.215.435 RCW 43.215.440 RCW 43.215.445 RCW 43.215.450 RCW 43.215.455 RCW 43.215.456 RCW 43.215.457 RCW 43.215.460 RCW 43.215.470 RCW 43.215.472 RCW 43.215.474 RCW 43.215.476 CHILD CARE RCW 43.215.490 RCW 43.215.492 RCW 43.215.495 RCW 43.215.500 RCW 43.215.502 RCW 43.215.505 RCW 43.215.510 RCW 43.215.520 RCW 43.215.525 RCW 43.215.530 RCW 43.215.532 RCW 43.215.535 RCW 43.215.540 RCW 43.215.545 RCW 43.215.550 RCW 43.215.555 RCW 43.215.560

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RCW 43.215.564 RCW 43.215.--- (section 5, chapter 202, Laws of 2017) TECHNICAL PROVISIONS RCW 43.215.900 RCW 43.215.901 RCW 43.215.903 RCW 43.215.905 RCW 43.215.908 RCW 43.215.909

<u>NEW SECTION.</u> Sec. 822. Sections 101, 104, 106 through 108, 114, and 801 through 803 of this act constitute a new chapter in Title 43 RCW.

<u>NEW SECTION.</u> Sec. 823. 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.

<u>NEW SECTION.</u> Sec. 824. Sections 101 and 103 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.

<u>NEW SECTION.</u> Sec. 825. Sections 102, 104 through 115, 201 through 227, 301 through 337, 401 through 419, 501 through 513, and 801 through 803 and 805 through 822 of this act take effect July 1, 2018.

<u>NEW SECTION.</u> Sec. 826. Sections 601 through 631, 701 through 728, and 804 of this act take effect July 1, 2019.

Passed by the House June 29, 2017. Passed by the Senate June 30, 2017. Approved by the Governor July 6, 2017. Filed in Office of Secretary of State July 7, 2017.

# CHAPTER 7

[House Bill 1042]

INSURANCE COMMISSIONER--SCHOOL DISTRICT AND EDUCATIONAL SERVICE DISTRICT ANNUAL REPORT--ELIMINATION

AN ACT Relating to eliminating the office of the insurance commissioner's school district or educational service district annual report; amending RCW 28A.400.275; and repealing RCW 48.02.210 and 48.62.181.

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

Sec. 1. RCW 28A.400.275 and 2012 2nd sp.s. c 3 s 4 are each amended to read as follows:

(1) Any contract or agreement for employee benefits executed after April 13, 1990, between a school district and a benefit provider or employee bargaining unit is null and void unless it contains an agreement to abide by state

laws relating to school district employee benefits. The term of the contract or agreement may not exceed one year.

(2) ((School districts and their benefit providers shall annually submit, by a date determined by the office of the insurance commissioner, the following information and data for the prior calendar year to the office of the insurance commissioner:

(a) Progress by the district and its benefit providers toward greater affordability for full family coverage, health care cost savings, and significantly reduced administrative costs;

(b) Compliance with the requirement to provide a high deductible health plan option with a health savings account;

(c) An overall plan summary including the following:

(i) The financial plan structure and overall performance of each health plan including:

(A) Total premium expenses;

(B) Total claims expenses;

(C) Claims reserves; and

(D) Plan administration expenses, including compensation paid to brokers;

(ii) A description of the plan's use of innovative health plan features designed to reduce health benefit premium growth and reduce utilization of unnecessary health services including but not limited to the use of enrollee health assessments or health coach services, care management for high cost or high-risk enrollees, medical or health home payment mechanisms, and plan features designed to create incentives for improved personal health behaviors;

(iii) Data to provide an understanding of employee health benefit plan eoverage and costs, including: The total number of employees and, for each employee, the employee's full-time equivalent status, types of coverage or benefits received including numbers of covered dependents, the number of eligible dependents, the amount of the district's contribution to premium, additional premium costs paid by the employee through payroll deductions, and the age and sex of the employee and each dependent;

(iv) Data necessary for school districts to more effectively and competitively manage and procure health insurance plans for employees. The data must include, but not be limited to, the following:

(A) A summary of the benefit packages offered to each group of district employees, including covered benefits, employee deductibles, coinsurance, and copayments, and the number of employees and their dependents in each benefit package;

(B) Aggregated employee and dependent demographic information, including age band and gender, by insurance tier and by benefit package;

(C) Total claim payments by benefit package, including premiums paid, inpatient facility claims paid, outpatient facility claims paid, physician claims paid, pharmacy claims paid, capitation amounts paid, and other claims paid;

(D) Total premiums paid by benefit package;

(E) A listing of large claims defined as annual amounts paid in excess of one hundred thousand dollars including the amount paid, the member enrollment status, and the primary diagnosis.

(3) Annually, school districts and their benefit providers shall jointly report to the office of the insurance commissioner on their health insurance-related efforts and achievements to:

(a) Significantly reduce administrative costs for school districts;

(b) Improve customer service;

(c) Reduce differential plan premium rates between employee only and family health benefit premiums;

(d) Protect access to coverage for part-time K-12 employees.

(4) The information and data shall be submitted in a format and according to a schedule established by the office of the insurance commissioner under RCW 48.02.210 to enable the commissioner to meet the reporting obligations under that section.

(5))) Any benefit provider offering a benefit plan by contract or agreement with a school district under subsection (1) of this section shall make available to the school district the benefit plan descriptions and, where available, the demographic information on plan subscribers that the district and benefit provider are required to report to the office of the insurance commissioner under this section.

 $((\frac{6}{100})$  This section shall not apply to benefit plans offered in the 1989-90 school year.))

<u>NEW SECTION.</u> Sec. 2. The following acts or parts of acts are each repealed:

(1) RCW 48.02.210 (School district health insurance benefits—Annual report) and 2012 2nd sp.s. c 3 s 5; and

(2) RCW 48.62.181 (School district or educational service district selfinsured health and welfare benefits programs—Noncompliance—Notification— Termination) and 2012 2nd sp.s. c 3 s 9.

Passed by the House June 30, 2017.

Passed by the Senate June 30, 2017.

Approved by the Governor July 6, 2017.

Filed in Office of Secretary of State July 7, 2017.

#### **CHAPTER 8**

[Engrossed Substitute House Bill 1597] COMMERCIAL FISHING--LICENSES--FEES

AN ACT Relating to increasing revenue to the state wildlife account by increasing commercial fishing license fees and streamlining wholesale fish dealing, buying, and selling requirements; amending RCW 77.12.170, 77.12.177, 77.15.096, 69.04.933, 69.04.934, 77.15.110, 77.15.170, 77.15.500, 77.15.565, 77.15.620, 77.15.630, 77.15.640, 77.65.100, 77.65.020, 77.65.090, 77.65.110, 77.65.120, 77.65.150, 77.65.160, 77.65.190, 77.65.200, 77.65.240, 77.65.280, 77.65.310, 77.65.320, 77.65.330, 77.65.340, 77.65.350, 77.65.390, 77.65.440, 77.65.480, 77.65.490, 77.65.500, 77.65.510, 77.65.580, 77.65.590, 77.70.190, 77.70.220, 77.70.280, 77.70.290, 77.70.300, 77.70.430, 77.70.430, 77.65.210, 77.65.220, 77.65.20, 77.65.370, and 77.15.160; adding a new section to chapter 77.65 RCW; creating new sections; repealing RCW 77.65.290, 77.65.300, 77.65.360, 77.65.515, 77.65.520, and 77.65.900; and providing an effective date.

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

<u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that the commercial fishing industry is a benefit to the state as a whole, but particularly to coastal

communities where it creates and sustains opportunities for employment. Maintaining a stable and economically viable commercial fishing industry requires:

(a) Preserving fishing opportunities by providing a fee structure for all commercial fishing permits that is not overly burdensome on the fishing industry; and

(b) Avoiding a strain on fish resources beyond sustainable spawning needs.

(2) The legislature intends to balance those needs by making certain adjustments to commercial fishing fees.

**Sec. 2.** RCW 77.08.010 and 2016 c 2 s 2 (Initiative Measure No. 1401) are each reenacted and amended to read as follows:

The definitions in this section apply throughout this title or rules adopted under this title unless the context clearly requires otherwise.

(1) (("Anadromous game fish buyer" means a person who purchases or sells steelhead trout and other anadromous game fish harvested by Indian fishers lawfully exercising fishing rights reserved by federal statute, treaty, or executive order, under conditions prescribed by rule of the director.

(2))) "Angling gear" means a line attached to a rod and reel capable of being held in hand while landing the fish or a handheld line operated without rod or reel.

(((3))) (2) "Bag limit" means the maximum number of game animals, game birds, or game fish which may be taken, caught, killed, or possessed by a person, as specified by rule of the commission for a particular period of time, or as to size, sex, or species.

(((4))) (3) "Building" means a private domicile, garage, barn, or public or commercial building.

(((5))) (4) "Closed area" means a place where the hunting of some or all species of wild animals or wild birds is prohibited.

(((6))) (5) "Closed season" means all times, manners of taking, and places or waters other than those established by rule of the commission as an open season. "Closed season" also means all hunting, fishing, taking, or possession of game animals, game birds, game fish, food fish, or shellfish that do not conform to the special restrictions or physical descriptions established by rule of the commission as an open season or that have not otherwise been deemed legal to hunt, fish, take, harvest, or possess by rule of the commission as an open season.

(((7))) (6) "Closed waters" means all or part of a lake, river, stream, or other body of water, where fishing or harvesting is prohibited.

(((8))) (7) "Commercial" means related to or connected with buying, selling, or bartering.

(((9))) (8) "Commission" means the state fish and wildlife commission.

(((10))) (9) "Concurrent waters of the Columbia river" means those waters of the Columbia river that coincide with the Washington-Oregon state boundary.

(((11))) (10) "Contraband" means any property that is unlawful to produce or possess.

(((12))) (11) "Covered animal species" means any species of elephant, rhinoceros, tiger, lion, leopard, cheetah, pangolin, marine turtle, shark, or ray either: (a) Listed in appendix I or appendix II of the convention on international trade in endangered species of wild flora and fauna; or (b) listed as critically

endangered, endangered, or vulnerable on the international union for conservation of nature and natural resources red list of threatened species.

 $((\frac{(13)}{)})$  (12) "Covered animal species part or product" means any item that contains, or is wholly or partially made from, any covered animal species.

(((14))) (13) "Deleterious exotic wildlife" means species of the animal kingdom not native to Washington and designated as dangerous to the environment or wildlife of the state.

(((15))) (14) "Department" means the department of fish and wildlife.

(((16))) (15) "Director" means the director of fish and wildlife.

(((17))) (16) "Distribute" or "distribution" means either a change in possession for consideration or a change in legal ownership.

(((18))) (17) "Endangered species" means wildlife designated by the commission as seriously threatened with extinction.

(((19))) (18) "Ex officio fish and wildlife officer" means:

(a) A commissioned officer of a municipal, county, or state agency having as its primary function the enforcement of criminal laws in general, while the officer is acting in the respective jurisdiction of that agency;

(b) An officer or special agent commissioned by one of the following: The national marine fisheries service; the Washington state parks and recreation commission; the United States fish and wildlife service; the Washington state department of natural resources; the United States forest service; or the United States parks service, if the agent or officer is in the respective jurisdiction of the primary commissioning agency and is acting under a mutual law enforcement assistance agreement between the department and the primary commissioning agency;

(c) A commissioned fish and wildlife peace officer from another state who meets the training standards set by the Washington state criminal justice training commission pursuant to RCW 10.93.090, 43.101.080, and 43.101.200, and who is acting under a mutual law enforcement assistance agreement between the department and the primary commissioning agency; or

(d) A Washington state tribal police officer who successfully completes the requirements set forth under RCW 43.101.157, is employed by a tribal nation that has complied with RCW 10.92.020(2) (a) and (b), and is acting under a mutual law enforcement assistance agreement between the department and the tribal government.

(((20))) (19) "Fish" includes all species classified as game fish or food fish by statute or rule, as well as all fin fish not currently classified as food fish or game fish if such species exist in state waters. The term "fish" includes all stages of development and the bodily parts of fish species.

(((21))) (20) "Fish and wildlife officer" means a person appointed and commissioned by the director, with authority to enforce this title and rules adopted pursuant to this title, and other statutes as prescribed by the legislature. Fish and wildlife officer includes a person commissioned before June 11, 1998, as a wildlife agent or a fisheries patrol officer.

 $(((\frac{22}{2})))$  (21) "Fish broker" means a person ((whose business it is to bring a seller of fish and shellfish and a purchaser of those fish and shellfish together.

(23) "Fish buyer" means:

(a) A wholesale fish dealer or a retail seller who directly receives fish or shellfish from a commercial fisher or receives fish or shellfish in interstate or foreign commerce; or

(b) A person engaged by a wholesale fish dealer who receives fish or shellfish from a commercial fisher)) who facilitates the sale or purchase of raw or frozen fish or shellfish on a fee or commission basis, without assuming title to the fish or shellfish.

((<del>(24)</del>)) (22) "Fish dealer" means a person who engages in any activity that triggers the need to obtain a fish dealer license under RCW 77.65.280.

(23) "Fishery" means the taking of one or more particular species of fish or shellfish with particular gear in a particular geographical area.

(((25))) (24) "Food, food waste, or other substance" includes human and pet food or other waste or garbage that could attract large wild carnivores.

(((26))) (25) "Freshwater" means all waters not defined as saltwater including, but not limited to, rivers upstream of the river mouth, lakes, ponds, and reservoirs.

(((27))) (26) "Fur-bearing animals" means game animals that shall not be trapped except as authorized by the commission.

(((28))) (27) "Fur dealer" means a person who purchases, receives, or resells raw furs for commercial purposes.

(((29))) (28) "Game animals" means wild animals that shall not be hunted except as authorized by the commission.

(((30))) (29) "Game birds" means wild birds that shall not be hunted except as authorized by the commission.

(((31))) (30) "Game farm" means property on which wildlife is held, confined, propagated, hatched, fed, or otherwise raised for commercial purposes, trade, or gift. The term "game farm" does not include publicly owned facilities.

(((32))) (31) "Game reserve" means a closed area where hunting for all wild animals and wild birds is prohibited.

(((33))) (32) "Illegal items" means those items unlawful to be possessed.

(((34))) (33)(a) "Intentionally feed, attempt to feed, or attract" means to purposefully or knowingly provide, leave, or place in, on, or about any land or building any food, food waste, or other substance that attracts or could attract large wild carnivores to that land or building.

(b) "Intentionally feed, attempt to feed, or attract" does not include keeping food, food waste, or other substance in an enclosed garbage receptacle or other enclosed container unless specifically directed by a fish and wildlife officer or animal control authority to secure the receptacle or container in another manner.

(((35))) (34) "Large wild carnivore" includes wild bear, cougar, and wolf.

 $(((\frac{36}{36})))$  (35) "License year" means the period of time for which a recreational license is valid. The license year begins April 1st, and ends March 31st.

(((37))) (36) "Limited-entry license" means a license subject to a license limitation program established in chapter 77.70 RCW.

(37) "Limited fish seller" means a licensed commercial fisher who sells his or her fish or shellfish to anyone other than a wholesale fish buyer thereby triggering the need to obtain a limited fish seller endorsement under RCW 77.65.510. (38) "Money" means all currency, script, personal checks, money orders, or other negotiable instruments.

(39) "Natural person" means a human being.

(40)(a) "Negligently feed, attempt to feed, or attract" means to provide, leave, or place in, on, or about any land or building any food, food waste, or other substance that attracts or could attract large wild carnivores to that land or building, without the awareness that a reasonable person in the same situation would have with regard to the likelihood that the food, food waste, or other substance could attract large wild carnivores to the land or building.

(b) "Negligently feed, attempt to feed, or attract" does not include keeping food, food waste, or other substance in an enclosed garbage receptacle or other enclosed container unless specifically directed by a fish and wildlife officer or animal control authority to secure the receptacle or container in another manner.

(41) "Nonresident" means a person who has not fulfilled the qualifications of a resident.

(42) "Offshore waters" means marine waters of the Pacific Ocean outside the territorial boundaries of the state, including the marine waters of other states and countries.

(43) "Open season" means those times, manners of taking, and places or waters established by rule of the commission for the lawful hunting, fishing, taking, or possession of game animals, game birds, game fish, food fish, or shellfish that conform to the special restrictions or physical descriptions established by rule of the commission or that have otherwise been deemed legal to hunt, fish, take, or possess by rule of the commission. "Open season" includes the first and last days of the established time.

(44) "Owner" means the person in whom is vested the ownership dominion, or title of the property.

(45) "Person" means and includes an individual; a corporation; a public or private entity or organization; a local, state, or federal agency; all business organizations, including corporations and partnerships; or a group of two or more individuals acting with a common purpose whether acting in an individual, representative, or official capacity.

(46) "Personal property" or "property" includes both corporeal and incorporeal personal property and includes, among other property, contraband and money.

(47) "Personal use" means for the private use of the individual taking the fish or shellfish and not for sale or barter.

(48) "Predatory birds" means wild birds that may be hunted throughout the year as authorized by the commission.

(49) "Protected wildlife" means wildlife designated by the commission that shall not be hunted or fished.

(50) "Raffle" means an activity in which tickets bearing an individual number are sold for not more than twenty-five dollars each and in which a permit or permits are awarded to hunt or for access to hunt big game animals or wild turkeys on the basis of a drawing from the tickets by the person or persons conducting the raffle.

(51) "Resident" has the same meaning as defined in RCW 77.08.075.

(52) (("Retail-eligible species" means commercially harvested salmon, erab, and sturgeon.

(53))) "Saltwater" means those marine waters seaward of river mouths.

(((54))) (53) "Seaweed" means marine aquatic plant species that are dependent upon the marine aquatic or tidal environment, and exist in either an attached or free floating form, and includes but is not limited to marine aquatic plants in the classes Chlorophyta, Phaeophyta, and Rhodophyta.

(((55))) (54) "Senior" means a person seventy years old or older.

 $(((\frac{56}{5})))$  (55) "Shark fin" means a raw, dried, or otherwise processed detached fin or tail of a shark.

(((57))) (56)(a) "Shark fin derivative product" means any product intended for use by humans or animals that is derived in whole or in part from shark fins or shark fin cartilage.

(b) "Shark fin derivative product" does not include a drug approved by the United States food and drug administration and available by prescription only or medical device or vaccine approved by the United States food and drug administration.

(((58))) (57) "Shellfish" means those species of marine and freshwater invertebrates that have been classified and that shall not be taken or possessed except as authorized by rule of the commission. The term "shellfish" includes all stages of development and the bodily parts of shellfish species.

 $(((\frac{59})))$  (58) "State waters" means all marine waters and fresh waters within ordinary high water lines and within the territorial boundaries of the state.

 $(((\frac{60})))$  (59) "Taxidermist" means a person who, for commercial purposes, creates lifelike representations of fish and wildlife using fish and wildlife parts and various supporting structures.

 $(((\frac{61})))$  (<u>60)</u> "To fish" and its derivatives means an effort to kill, injure, harass, harvest, or capture a fish or shellfish.

(((62))) (61) "To hunt" and its derivatives means an effort to kill, injure, harass, harvest, or capture a wild animal or wild bird.

(((63))) (62) "To process" and its derivatives mean preparing or preserving fish, wildlife, or shellfish.

 $(((\frac{64})))$  (63) "To take" and its derivatives means to kill, injure, harvest, or capture a fish, shellfish, wild animal, bird, or seaweed.

(((65))) (64) "To trap" and its derivatives means a method of hunting using devices to capture wild animals or wild birds.

(((<del>66)</del>))) (<u>65</u>) "To waste" or "to be wasted" means to allow any edible portion of any game bird, food fish, game fish, shellfish, or big game animal other than cougar to be rendered unfit for human consumption, or to fail to retrieve edible portions of such a game bird, food fish, game fish, shellfish, or big game animal other than cougar from the field. For purposes of this chapter, edible portions of game birds must include, at a minimum, the breast meat of those birds. Entrails, including the heart and liver, of any wildlife species are not considered edible.

(((67))) (66) "Trafficking" means offering, attempting to engage, or engaging in sale, barter, or purchase of fish, shellfish, wildlife, or deleterious exotic wildlife.

(((68))) (67) "Unclaimed" means that no owner of the property has been identified or has requested, in writing, the release of the property to themselves nor has the owner of the property designated an individual to receive the property or paid the required postage to effect delivery of the property.

 $((\frac{(69)}{)})$  (68) "Unclassified wildlife" means wildlife existing in Washington in a wild state that have not been classified as big game, game animals, game birds, predatory birds, protected wildlife, endangered wildlife, or deleterious exotic wildlife.

 $(((\frac{70}{1})))$  (69) "Wholesale fish  $((\frac{\text{dealer}}{1}))$  buyer" means a person who $((\frac{1}{2} + \frac{1}{2}))$  and sells, barters, or exchanges or attempts to sell, barter, or exchange fish or shellfish that have been landed into the state of Washington or entered the state of Washington in interstate or foreign commerce) engages in any fish buying or selling activity that triggers the need to obtain a wholesale fish buyer endorsement under RCW 77.65.340.

 $(((\frac{71})))$  (70) "Wild animals" means those species of the class Mammalia whose members exist in Washington in a wild state. The term "wild animal" does not include feral domestic mammals or old world rats and mice of the family Muridae of the order Rodentia.

(((72))) (71) "Wild birds" means those species of the class Aves whose members exist in Washington in a wild state.

(((73))) (72) "Wildlife" means all species of the animal kingdom whose members exist in Washington in a wild state. This includes but is not limited to mammals, birds, reptiles, amphibians, fish, and invertebrates. The term "wildlife" does not include feral domestic mammals, old world rats and mice of the family Muridae of the order Rodentia, or those fish, shellfish, and marine invertebrates classified as food fish or shellfish by the director. The term "wildlife" includes all stages of development and the bodily parts of wildlife members.

 $(((\frac{74})))$  (73) "Wildlife meat cutter" means a person who packs, cuts, processes, or stores wildlife for consumption for another for commercial purposes.

(((75))) (74) "Youth" means a person fifteen years old for fishing and under sixteen years old for hunting.

Sec. 3. RCW 77.12.170 and 2016 c 30 s 5 are each amended to read as follows:

(1) There is established in the state treasury the state wildlife account which consists of moneys received from:

(a) Rentals or concessions of the department;

(b) The sale of real or personal property held for department purposes, unless the property is seized or recovered through a fish, shellfish, or wildlife enforcement action;

(c) The assessment of administrative penalties;

(d) The sale of licenses, permits, tags, and stamps required by chapters 77.32, 77.65, and 77.70 RCW((<del>, RCW 77.65.490,</del>)) and application fees;

(e) Fees for informational materials published by the department;

(f) Fees for personalized vehicle, Wild on Washington, and Endangered Wildlife license plates, Washington's Wildlife license plate collection, and Washington's fish license plate collection as provided in chapter 46.17 RCW;

(g) Articles or wildlife sold by the director under this title;

(h) Compensation for damage to department property or wildlife losses or contributions, gifts, or grants received under RCW 77.12.320. However, this excludes fish and shellfish overages, and court-ordered restitution or donations

associated with any fish, shellfish, or wildlife enforcement action, as such moneys must be deposited pursuant to RCW 77.15.425;

(i) Excise tax on anadromous game fish collected under chapter 82.27 RCW;

(j) The department's share of revenues from auctions and raffles authorized by the commission;

(k) The sale of watchable wildlife decals under RCW 77.32.560;

(1) Moneys received from the recreation access pass account created in RCW 79A.80.090 must be dedicated to stewardship, operations, and maintenance of department lands used for public recreation purposes; and

(m) Donations received by the director under RCW 77.12.039.

(2) State and county officers receiving any moneys listed in subsection (1) of this section shall deposit them in the state treasury to be credited to the state wildlife account.

Sec. 4. RCW 77.12.177 and 2015 c 225 s 114 are each amended to read as follows:

(1) Except as provided in this title, state and county officers receiving the following moneys shall deposit them in the state ((general fund)) wildlife account:

(a) The sale of commercial licenses required under this title((<del>, except for licenses issued under RCW 77.65.490</del>)); and

(b) Moneys received for damages to ((food)) fish  $((or))_{a}$  shellfish, or wildlife.

(2) ((The director shall make weekly remittances to the state treasurer of moneys collected by the department.)) Beginning with fiscal year 2018, and each fiscal year thereafter, the director must determine both the total amount of fees deposited in the state wildlife account for the sale of commercial licenses required under this title, and the portion of those fees that is attributable to the fee increases enacted in this act. The director must certify these amounts to the state treasurer, who must transfer the difference between these two amounts to the state general fund within one month of the close of the fiscal year. The portion of those fees that is attributable to the fee increases enacted in this act.

(3) All fines and forfeitures collected or assessed by a district court for a violation of this title or rule of the department shall be remitted as provided in chapter 3.62 RCW.

(4) Proceeds from the sale of ((food)) fish or shellfish taken in test fishing conducted by the department, to the extent that these proceeds exceed the estimates in the budget approved by the legislature, may be allocated as unanticipated receipts under RCW 43.79.270 to reimburse the department for unanticipated costs for test fishing operations in excess of the allowance in the budget approved by the legislature.

(5) Proceeds from the sale of salmon carcasses and salmon eggs from state general funded hatcheries by the department shall be deposited in the regional fisheries enhancement group account established in RCW 77.95.090.

(6) Proceeds from the sale of herring spawn on kelp fishery licenses by the department, to the extent those proceeds exceed estimates in the budget approved by the legislature, may be allocated as unanticipated receipts under

RCW 43.79.270. Allocations under this subsection shall be made only for herring management, enhancement, and enforcement.

Sec. 5. RCW 77.15.096 and 2002 c 128 s 5 are each amended to read as follows:

(1) Fish and wildlife officers may inspect without warrant at reasonable times and in a reasonable manner:

(a) The premises, containers, fishing equipment, fish, seaweed, shellfish, and wildlife((, and records required by the department)) of any commercial fisher or wholesale dealer or fish ((buyer)) dealer; and

(b) Records required by the department of any commercial fisher or wholesale fish buyer or fish dealer.

(2) Fish and wildlife officers and ex officio fish and wildlife officers may ((similarly)) inspect without warrant at reasonable times and in a reasonable manner:

(a) The premises, containers, fishing equipment, fish, shellfish, ((and)) wildlife,((and records required by the department)) or covered animal species of any ((shipping agent or other person placing or attempting to place fish, shellfish, or wildlife into interstate commerce,)) person trafficking or otherwise distributing or receiving fish, shellfish, wildlife, or covered animal species;

(b) Records required by the department of any person trafficking or otherwise distributing or receiving fish, shellfish, wildlife, or covered animal species;

(c) Any cold storage plant that ((the department)) <u>a fish and wildlife officer</u> has probable cause to believe contains fish, shellfish, or wildlife((, or)):

(d) The premises, containers, fish, shellfish, wildlife, or covered animal species of any taxidermist or fur buyer; or

(e) The records required by the department of any taxidermist or fur buyer.

(3) Fish and wildlife officers may inspect without warrant, at reasonable times and in a reasonable manner, the records required by the department of any retail outlet selling fish, shellfish, or wildlife, and, if the officers have probable cause to believe a violation of this title or rules of the commission has occurred, they may inspect without warrant the premises, containers, and fish, shellfish, and wildlife of any retail outlet selling fish, shellfish, or wildlife.

(4) Authority granted under this section does not extend to quarters in a boat, building, or other property used exclusively as a private domicile, does not extend to transitory residences in which a person has a reasonable expectation of privacy, and does not allow search and seizure without a warrant if the thing or place is protected from search without warrant within the meaning of Article I, section 7 of the state Constitution.

Sec. 6. RCW 69.04.933 and 2013 c 290 s 4 are each amended to read as follows:

(1) It is unlawful to knowingly sell or offer for sale at wholesale or retail any fresh, frozen, or processed ((food)) fish or shellfish without identifying for the buyer at the point of sale the species of ((food)) fish or shellfish by its common name, such that the buyer can make an informed purchasing decision for his or her protection, health, and safety.

(2) It is unlawful to knowingly label or offer for sale any ((food)) fish designated as halibut, with or without additional descriptive words, unless the ((food)) fish product is *Hippoglossus hippoglossus or Hippoglossus stenolepsis*.

(3) This section does not apply to salmon that is minced, pulverized, coated with batter, or breaded.

(4) This section does not apply to a commercial fisher properly licensed under chapter 77.65 or 77.70 RCW and engaged in sales of fish to a wholesale fish buyer.

(5) A violation of this section constitutes misbranding under RCW 69.04.938 and is punishable as a misdemeanor, gross misdemeanor, or felony depending on the fair market value of the fish or shellfish involved in the violation.

(6)(a) The common names for salmon species are as listed in RCW 69.04.932.

(b) The common names for all other ((food)) fish and shellfish are the common names for ((food)) fish and shellfish species as defined by rule of the ((director)) department of fish and wildlife. If the common name for a species is not defined by rule of the ((director)) department of fish and wildlife, then the common name is the acceptable market name or common name as provided in the United States food and drug administration's publication "Seafood list - FDA's guide to acceptable market names for seafood sold in interstate commerce," as the publication existed on July 28, 2013.

(7) For the purposes of this section, "processed" means ((food)) fish or shellfish processed by heat for human consumption, such as ((food)) fish or shellfish that is kippered, smoked, boiled, canned, cleaned, portioned, or prepared for sale or attempted sale for human consumption.

(8) Nothing in this section precludes using additional descriptive language or trade names to describe ((food)) fish or shellfish as long as the labeling requirements in this section are met.

Sec. 7. RCW 69.04.934 and 2013 c 290 s 5 are each amended to read as follows:

(1) It is unlawful to knowingly sell or offer for sale at wholesale or retail any fresh, frozen, or processed salmon without identifying private sector cultured aquatic salmon or salmon products as farm-raised salmon, or identifying commercially caught salmon or salmon products as commercially caught salmon.

(2) Identification of the products under subsection (1) of this section must be made to the buyer at the point of sale such that the buyer can make an informed purchasing decision for his or her protection, health, and safety.

(3) A violation of this section constitutes misbranding under RCW 69.04.938 and is punishable as a misdemeanor, gross misdemeanor, or felony depending on the fair market value of the fish or shellfish involved in the violation.

(4) This section does not apply to salmon that is minced, pulverized, coated with batter, or breaded.

(5) This section does not apply to a commercial fisher properly licensed under chapter 77.65 or 77.70 RCW and lawfully engaged in the sale of fish to a <u>wholesale</u> fish buyer.

(6) Nothing in this section precludes using additional descriptive language or trade names to describe ((food)) fish or shellfish as long as the labeling requirements of this section are met.

Sec. 8. RCW 77.15.110 and 2012 c 176 s 13 are each amended to read as follows:

(1) For purposes of this chapter, a person acts for commercial purposes if the person engages in conduct that relates to commerce in fish, seaweed, shellfish, or wildlife or any parts thereof. Commercial conduct may include taking, delivering, selling, buying, <u>brokering</u>, or trading fish, seaweed, shellfish, or wildlife where there is present or future exchange of money, goods, or any valuable consideration. Evidence that a person acts for commercial purposes includes, but is not limited to, the following conduct:

(a) Using gear typical of that used in commercial fisheries;

(b) Exceeding the bag or possession limits for personal use by taking or possessing more than three times the amount of fish, seaweed, shellfish, or wildlife allowed;

(c) Delivering or attempting to deliver fish, seaweed, shellfish, or wildlife to a person who sells or resells ((fish, seaweed, shellfish, or wildlife including any licensed or unlicensed wholesaler)) it;

(d) Taking fish or shellfish using a vessel designated on a commercial fishery license or using gear not authorized in a personal use fishery;

(e) Using a commercial fishery license;

(f) Selling or dealing in raw furs for a fee or in exchange for goods or services;

(g) Performing taxidermy service on fish, shellfish, or wildlife belonging to another person for a fee or receipt of goods or services; or

(h) Packs, cuts, processes, or stores the meat of wildlife for consumption, for a fee or in exchange for goods or services.

(2) For purposes of this chapter, the value of any fish, seaweed, shellfish, or wildlife may be proved based on evidence of legal or illegal sales involving the person charged or any other person, of offers to sell or solicitation of offers to sell by the person charged or by any other person, or of any market price for the fish, seaweed, shellfish, or wildlife including market price for farm-raised game animals. The value assigned to specific fish, seaweed, shellfish, or wildlife by RCW 77.15.420 may be presumed to be the value of such fish, seaweed, shellfish, or wildlife. It is not relevant to proof of value that the person charged misrepresented that the fish, seaweed, shellfish, or wildlife was taken in compliance with law if the fish, seaweed, shellfish, or wildlife was unlawfully taken and had no lawful market value.

Sec. 9. RCW 77.15.170 and 2014 c 48 s 8 are each amended to read as follows:

(1) A person is guilty of waste of fish and wildlife if the person:

(a) Takes or possesses wildlife classified as food fish, game fish, shellfish, or game birds having a value of two hundred fifty dollars or more, or wildlife classified as big game; and

(b) Recklessly allows such fish, shellfish, or wildlife to be wasted.

(2) Waste of fish and wildlife is a gross misdemeanor. Upon conviction, the department shall revoke any license or tag used in the crime and shall order

suspension of the person's privileges to engage in the activity in which the person committed waste of fish and wildlife for a period of one year.

(3) It is prima facie evidence of waste if:

(a) A ((processor)) <u>fish dealer</u> purchases or engages a quantity of food fish, shellfish, or game fish that cannot be processed within sixty hours after the food fish, game fish, or shellfish are taken from the water, unless the food fish, game fish, or shellfish are preserved in good marketable condition; or

(b) A person brings a big game animal to a wildlife meat cutter and then abandons the animal. For purposes of this subsection (3)(b), a big game animal is deemed to be abandoned when its carcass is placed in the custody of a wildlife meat cutter for butchering and processing and:

(i) Having been placed in such custody for an unspecified period of time, the meat is not removed within thirty days after the wildlife meat cutter gives notice to the person who brought in the carcass or, having been so notified, the person who brought in the carcass refuses or fails to pay the agreed upon or reasonable charges for the butchering or processing of the carcass; or

(ii) Having been placed in such custody for a specified period of time, the meat is not removed at the end of the specified period or the person who brought in the carcass refuses to pay the agreed upon or reasonable charges for the butchering or processing of the carcass.

**Sec. 10.** RCW 77.15.500 and 2000 c 107 s 248 are each amended to read as follows:

(1) A person is guilty of commercial fishing without a license in the second degree if the person fishes for, takes, or delivers ((food)) fish(( $_{7}$ )) or shellfish(( $_{7}$  or game fish)) while acting for commercial purposes and:

(a) The person does not hold a fishery license or delivery license under chapter 77.65 RCW for the ((food)) fish or shellfish; ((or))

(b) The person is not a licensed operator designated as an alternate operator on a fishery or delivery license under chapter 77.65 RCW for the ((food)) fish or shellfish: or

(c) The person does not hold a crewmember license when required under section 15 of this act.

(2) A person is guilty of commercial fishing without a license in the first degree if the person commits the act described by subsection (1) of this section and:

(a) The violation involves taking, delivery, or possession of ((food)) fish or shellfish with a value of two hundred fifty dollars or more; or

(b) The violation involves taking, delivery, or possession of ((food)) fish or shellfish from an area that was closed to the taking of ((such food)) the fish or shellfish by any statute or rule.

(3)(a) Commercial fishing without a license in the second degree is a gross misdemeanor.

(b) Commercial fishing without a license in the first degree is a class C felony.

Sec. 11. RCW 77.15.565 and 2002 c 301 s 6 are each amended to read as follows:

Since violation of the rules of the department relating to the accounting of the commercial harvest of ((food)) fish and shellfish results in damage to the

resources of the state, liability for damage to ((food)) fish and shellfish resources is imposed on a wholesale fish ((dealer or the holder of a direct retail endorsement)) buyer or a limited fish seller for violation of a provision in chapters 77.65 and 77.70 RCW or a rule of the department related to the accounting of the commercial harvest of ((food)) fish and shellfish and shall be for the actual damages or for damages imposed as follows:

(1) For violation of rules requiring the timely presentation to the department of documents relating to the accounting of commercial harvest, fifty dollars for each of the first fifteen documents in a series and ten dollars for each subsequent document in the same series. If documents relating to the accounting of commercial harvest of ((food)) fish and shellfish are lost or destroyed and the wholesale ((dealer or holder of a direct retail endorsement)) fish buyer or limited fish seller notifies the department in writing within seven days of the loss or destruction, the director shall waive the requirement for timely presentation of the documents.

(2) For violation of rules requiring accurate and legible information relating to species, value, harvest area, or amount of harvest, twenty-five dollars for each of the first five violations of this subsection ((following July 28, 1985)) per calendar year, and fifty dollars for each violation after the first five violations.

(3) For violations of rules requiring certain signatures, fifty dollars for each of the first two violations and one hundred dollars for each subsequent violation. For the purposes of this subsection, each signature is a separate requirement.

(4) For other violations of rules relating to the accounting of the commercial harvest, fifty dollars for each separate violation.

Sec. 12. RCW 77.15.620 and 2012 c 176 s 30 are each amended to read as follows:

(1) A person is guilty of engaging in fish dealing activity without a license in the second degree if <u>the activity involves fish or shellfish worth less than two hundred fifty dollars and</u> the person:

(a) Engages in ((the commercial processing of fish or shellfish, including eustom canning or processing of personal use fish or shellfish and does not hold a wholesale dealer's license required by RCW 77.65.280(1) or 77.65.480 for anadromous game fish, or a direct retail endorsement under RCW 77.65.510)) any fish dealing activity requiring a fish dealer license under RCW 77.65.280 without first obtaining the license;

(b) Engages in ((the wholesale selling, buying, or brokering of food fish or shellfish and does not hold a wholesale dealer's or buying license required by RCW 77.65.280(2) or 77.65.480 for anadromous game fish)) any fish buying or selling activity requiring a wholesale fish buyer endorsement under RCW 77.65.340 without first obtaining the endorsement; or

(c) ((Is a fisher who lands and sells his or her catch or harvest in the state to anyone other than a licensed wholesale dealer within or outside the state and does not hold a direct retail endorsement required by RCW 77.65.510; or

(d) Engages in the commercial manufacture or preparation of fertilizer, oil, meal, caviar, fish bait, or other by-products from food fish or shellfish and does not hold a wholesale dealer's license required by RCW 77.65.280(4) or 77.65.480 for anadromous game fish.)) Engages in any fish selling activity as a fisher that requires a limited fish seller endorsement under RCW 77.65.510 without first obtaining the endorsement. (2) A person is guilty of engaging in fish dealing activity without a license in the first degree if the person commits the act described by subsection (1) of this section and the violation involves fish or shellfish worth two hundred fifty dollars or more.

(3)(a) Engaging in fish dealing activity without a license in the second degree is a gross misdemeanor.

(b) Engaging in fish dealing activity without a license in the first degree is a class C felony.

Sec. 13. RCW 77.15.630 and 2014 c 48 s 21 are each amended to read as follows:

(1) A person licensed as a commercial fisher, wholesale fish ((dealer, direct retail seller, anadromous game fish buyer, or a fish)) buyer, or limited fish seller, or a person not so licensed but acting in such a capacity, is guilty of unlawful fish and shellfish catch accounting in the second degree if he or she receives or delivers for commercial purposes fish or shellfish worth less than two hundred fifty dollars; and

(a) Fails to document such fish or shellfish with a fish-receiving ticket or other documentation required by statute or department rule;

(b) Fails to sign the fish-receiving ticket or other required documentation, fails to provide all of the information required by statute or department rule on the fish-receiving ticket or other documentation, or both; or

(c) Fails to submit the fish-receiving ticket to the department as required by statute or department rule.

(2) A person is guilty of unlawful fish and shellfish catch accounting in the first degree if the person commits an act described by subsection (1) of this section and:

(a) The violation involves fish or shellfish worth two hundred fifty dollars or more;

(b) The person acted with knowledge that the fish or shellfish were taken from a closed area, at a closed time, or by a person not licensed to take such fish or shellfish for commercial purposes; or

(c) The person acted with knowledge that the fish or shellfish were taken in violation of any tribal law.

(3)(a) Unlawful fish and shellfish catch accounting in the second degree is a gross misdemeanor.

(b) Unlawful fish and shellfish catch accounting in the first degree is a class C felony. Upon conviction, the department shall suspend all privileges to engage in <u>wholesale</u> fish buying or dealing for two years.

(4) For the purposes of this section:

(a) A person "receives" fish or shellfish when title or control of the fish or shellfish is transferred or conveyed to the person.

(b) A person "delivers" fish or shellfish when title or control of the fish or shellfish is transferred or conveyed from the person.

Sec. 14. RCW 77.15.640 and 2012 c 176 s 32 are each amended to read as follows:

(1) A person who holds a ((wholesale)) fish ((dealer's)) dealer license required by RCW 77.65.280, ((an anadromous game fish buyer's license required by RCW 77.65.480,)) a wholesale fish ((buyer's license)) buyer

endorsement required by RCW 77.65.340, or a ((direct retail)) limited fish seller endorsement under RCW 77.65.510 is guilty of unlawful wholesale fish buying and dealing if the person:

(a) Fails to possess or display his or her license when engaged in any act requiring the license; or

(b) Fails to display or uses the license in violation of any department rule.

(2) Unlawful wholesale fish buying and dealing is a gross misdemeanor.

<u>NEW SECTION.</u> Sec. 15. A new section is added to chapter 77.65 RCW to read as follows:

(1)(a) An individual age sixteen and older who works on board any vessel while operating in a commercial fishery regulated by the state must obtain a crewmember license from the department. However, an individual on the vessel designated as the primary or alternate operator on the commercial fishing license and an individual on the vessel licensed and working as a geoduck diver or geoduck tender do not also need a crewmember license. Crewmembers working for licensed charters or guides are not required to have a crewmember license.

(b) A crewmember license is required for each individual who participates in the operation of the vessel or the harvest. For the purposes of this section, the term "harvest" includes participation in tending, deploying, retrieving, or baiting fishing gear, harvesting, or placing fish or shellfish in holds.

(c) An albacore tuna crewmember license satisfies the requirements specified in (a) and (b) of this subsection on vessels fishing for albacore tuna or baitfish lampara.

(2) A crewmember license must be purchased in the name of the individual working as the crewmember. The license holder may use the license aboard any commercial fishing vessel, except an albacore tuna crewmember license is only valid for participating in the albacore tuna fishery or baitfish lampara fishery. A crewmember license purchased by a crewmember may not be transferred to another individual.

(3) Up to two crewmember licenses may be purchased and held by a commercial fishing license holder for use by any individual working on the vessel named in the commercial fishing license. Each crewmember license held by a commercial fishing license holder covers one crewmember per trip, but the same crewmember license may be used to authorize a different individual to act as a crewmember on a subsequent trip.

(4) The fee for an annual crewmember license is thirty-five dollars for residents and one hundred ten dollars for nonresidents. The fee for an annual albacore tuna crewmember license is thirty-five dollars for residents and nonresidents. Additional application fees and surcharges do not apply except that if the license is purchased through the automated licensing system the fees authorized in RCW 77.32.050 apply.

(5) The licenses must be available through the automated licensing system and transaction fees and dealer fees apply, except as provided in subsection (4) of this section. The annual crewmember license is valid for a calendar year.

(6) Family members of the commercial license holder or alternate operators are exempt from the requirements of this section. For purposes of this section, family members include children, grandchildren, spouse, parents, or siblings of the commercial license holder.

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Sec. 16. RCW 77.65.010 and 2015 c 97 s 3 are each amended to read as follows:

(1) Except as otherwise provided by this title, a person must have a license  $((\frac{\text{or permit}}{\text{or in order to engage in any of the following activities:})$ 

(a) Commercially fish for or take food fish or shellfish;

(b) Deliver from a commercial fishing vessel food fish or shellfish taken for commercial purposes in offshore waters. As used in this subsection, "deliver" means arrival at a place or port, and includes arrivals from offshore waters to waters within the state and arrivals from state or offshore waters;

(c) Operate a charter boat or commercial fishing vessel engaged in a fishery;

(d) Engage in ((processing or wholesaling food)) wholesale buying, selling, dealing, processing, or brokering of raw or frozen fish or shellfish; ((or))

(e) <u>Sell his or her commercially harvested catch of fish or shellfish to</u> anyone other than a licensed wholesale fish buyer within or outside the state; or

(f) Act as a food fish guide or game fish guide for personal use, except that a charter boat license is required to operate a vessel from which a person may for a fee fish for food fish in state waters listed in RCW 77.65.150(4)(b).

(2) No person may engage in the activities described in subsection (1) of this section unless the licenses ((or permits)) required by this title are in the person's possession, and the person is the named license holder or an alternate operator designated on the license and the person's license is not suspended.

(3) A valid Oregon license that is equivalent to a license under this title is valid in the concurrent waters of the Columbia river if the state of Oregon recognizes as valid the equivalent Washington license. The director may identify by rule what Oregon licenses are equivalent.

(4) No license ((or permit)) is required for the production or harvesting of private sector cultured aquatic products as defined in RCW 15.85.020 or for the delivery, processing, or wholesaling of such aquatic products. However, if a means of identifying such products is required by rules adopted under RCW 15.85.060, the exemption from licensing ((or permit)) requirements established by this subsection applies only if the aquatic products are identified in conformance with those rules.

Sec. 17. RCW 77.65.020 and 2011 c 339 s 15 are each amended to read as follows:

(1) Unless otherwise provided in this title, a license issued under this chapter is not transferable from the license holder to any other person.

(2) The following restrictions apply to transfers of commercial fishery licenses, salmon delivery licenses, and salmon charter licenses that are transferable between license holders:

(a) The license holder shall surrender the previously issued license to the department.

(b) The department shall complete no more than one transfer of the license in any seven-day period.

(c) The fee to transfer a license from one license holder to another is:

(i) The same as the ((resident)) license renewal fee if the license is not limited under chapter 77.70 RCW;

(ii) Three and one-half times the ((resident)) renewal fee if the license is not a commercial salmon license and the license is limited under chapter 77.70 RCW;

(iii) Fifty dollars if the license is a commercial salmon license and is limited under chapter 77.70 RCW; or

(iv) Five hundred dollars if the license is a Dungeness crab-coastal fishery license((; or

(v) If a license is transferred from a resident to a nonresident, an additional fee is assessed that is equal to the difference between the resident and nonresident license fees at the time of transfer, to be paid by the transferee)).

(d) In addition to the fees under (c) of this subsection, an application fee of one hundred five dollars applies to all commercial license transfers.

(3) A commercial license that is transferable under this title survives the death of the holder. Though such licenses are not personal property, they shall be treated as analogous to personal property for purposes of inheritance and intestacy. Such licenses are subject to state laws governing wills, trusts, estates, intestate succession, and community property, except that such licenses are exempt from claims of creditors of the estate and tax liens. The surviving spouse, estate, or beneficiary of the estate may apply for a renewal of the license. There is no fee for transfer of a license from a license holder to the license holder's surviving spouse or estate, or to a beneficiary of the estate.

Sec. 18. RCW 77.65.090 and 2011 c 339 s 16 are each amended to read as follows:

This section applies to all commercial fishery licenses, delivery licenses, and charter licenses, except for emergency salmon delivery licenses.

(1) The holder of a license subject to this section may substitute the vessel designated on the license or designate a vessel if none has previously been designated if the license holder:

(a) Surrenders the previously issued license to the department;

(b) Submits to the department an application that identifies the currently designated vessel, the vessel proposed to be designated, and any other information required by the department; and

(c) Pays to the department a fee of thirty-five dollars and an application fee of one hundred five dollars.

(2) Unless the license holder owns all vessels identified on the application described in subsection (1)(b) of this section or unless the vessel is designated on a Dungeness crab-coastal ((or a Dungeness crab-coastal class B)) fishery license, the following restrictions apply to changes in vessel designation:

(a) The department shall change the vessel designation on the license no more than four times per calendar year.

(b) The department shall change the vessel designation on the license no more than once in any seven-day period.

Sec. 19. RCW 77.65.110 and 2011 c 339 s 17 are each amended to read as follows:

This section applies to all commercial fishery licenses((<del>, charter boat licenses,</del>)) and delivery licenses.

(1) A person designated as an alternate operator must possess an alternate operator license issued under RCW 77.65.130, and be designated on the <u>fishery</u>

license prior to engaging in the activities authorized by the license. The holder of the commercial fishery license((<del>, charter boat license,</del>)) or delivery license may designate up to two alternate operators for the license, except:

(a) Whiting—Puget Sound fishery licensees may not designate alternate operators;

(b) Emergency salmon delivery licensees may not designate alternate operators;

(c) Shrimp pot-Puget Sound fishery licensees may designate no more than one alternate operator at a time; and

(d) Shrimp trawl-Puget Sound fishery licensees may designate no more than one alternate operator at a time.

(2) The fee to change the alternate operator designation is twenty-two dollars in addition to the application fee of one hundred five dollars.

(3) An alternate operator license is not required for an individual to operate a vessel designated as a charter boat under a charter boat license.

Sec. 20. RCW 77.65.120 and 2000 c 107 s 33 are each amended to read as follows:

(1) Only the <u>fishery</u> license holder and any alternate operators designated on the license may sell or deliver ((<del>food</del>)) fish or shellfish under a commercial fishery license or delivery license. A commercial fishery license or delivery license authorizes no taking or delivery of ((<del>food</del>)) fish or shellfish unless the license holder or an alternate operator designated on the license is present or aboard the vessel.

(2) ((Notwithstanding RCW 77.65.010(1)(c), an alternate operator license is not required for an individual to operate a vessel as a charter boat.)) Only the fishery license holder and any alternate operator designated on a license with a limited fish seller endorsement under RCW 77.65.510 may sell the licensee's commercially harvested catch directly to consumers at retail.

Sec. 21. RCW 77.65.150 and 2011 c 339 s 18 are each amended to read as follows:

(1) ((The director shall issue the charter licenses and angler permits listed in this section according to the requirements of this title.)) The licenses and permits and their annual license fees, application fees, and surcharges are:

	License or Permit	(RCW 77.95.	ual Fee 090 Surcharge) 702 Surcharge)	Appli- cation Fee	Governing Section
		Resident	Nonresident		
(a)	Non- salmon charter	(( <del>\$225</del> )) <u>\$375</u> (plus \$35 for RCW 77.12.702 Surcharge)	(( <del>\$375</del> )) <u>\$450</u> (plus \$35 for RCW 77.12.702 Surcharge)	\$ 70	
(b)	Salmon charter	(( <del>\$380</del> )) <u>\$460</u> (plus \$100) (plus \$35 for RCW 77.12.702 Surcharge)	(( <del>\$685</del> )) <u>\$535</u> (plus \$100) (plus \$35 for RCW 77.12.702 Surcharge)	\$105	RCW 77.70.050

(c) Salmon \$ 0 angler	\$ 0	\$ 0 RCW 77.70.060
(( <del>(d) Salmon \$ 95</del>	<del>\$ 95</del>	<del>\$ 70</del> RCW 77.65.350))
roe		

(2) A salmon charter license designating a vessel is required to operate a charter boat from which persons may, for a fee, fish for salmon, other (( $\frac{food}$ ))) fish, and shellfish. The director may issue a salmon charter license only to a person who meets the qualifications of RCW 77.70.050.

(3) A nonsalmon charter license designating a vessel is required to operate a charter boat from which persons may, for a fee, fish for ((food)) shellfish and fish other than salmon(( $_{7}$ )) or albacore tuna((, and shellfish)).

(4)(a) "Charter boat" means a vessel from which persons may, for a fee, fish for food fish or shellfish for personal use in those state waters set forth in (b) of this subsection. "Charter boat" also means a vessel from which persons may, for a fee, fish for ((food)) fish or shellfish for personal use in offshore waters or in the waters of other states. The director may specify by rule when a vessel is a "charter boat" within this definition.

(b) A person may not operate a vessel from which persons may, for a fee, fish for food fish or shellfish in Puget Sound, Grays Harbor, Willapa Bay, Pacific Ocean waters, Lake Washington, or the Columbia river below the bridge at Longview unless the vessel is designated on a charter boat license.

(5) A charter boat licensed in Oregon may fish without a Washington charter license under the same rules as Washington charter boat operators in ocean waters within the jurisdiction of Washington state from the southern border of the state of Washington to Leadbetter Point, as long as the Oregon vessel does not take on or discharge passengers for any purpose from any Washington port, the Washington shore, or a dock, landing, or other point in Washington. The provisions of this subsection shall be in effect as long as the state of Oregon has reciprocal laws and regulations.

(6) A salmon charter license under subsection (1)(b) of this section may be renewed if the license holder notifies the department by May 1st of that year that he or she will not participate in the fishery during that calendar year. The license holder must pay the one hundred dollar enhancement surcharge, a thirty-five dollar surcharge to be deposited in the rockfish research account created in RCW 77.12.702, plus a one hundred five dollar application fee, in order to be considered a valid renewal and eligible to renew the license the following year.

Sec. 22. RCW 77.65.160 and 2011 c 339 s 19 are each amended to read as follows:

(1) The following commercial salmon fishery licenses are required for the license holder to use the specified gear to fish for salmon in state waters. Only a person who meets the qualifications of RCW 77.70.090 may hold a license listed in this subsection. The licenses and their annual license fees, application fees, and surcharges under RCW 77.95.090 are:

Fishery	Resident	Nonresident	Surcharge Application
License	Fee	Fee	Fee

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(a)	Salmon Gill Net— Grays Harbor- Columbia river	\$380	((( <del>\$685</del> ))) <u>\$455</u>	plus \$100	\$105
(b)	Salmon Gill Net— Puget Sound	\$380	(( <del>\$685</del> )) <u>\$455</u>	plus \$100	\$105
(c)	Salmon Gill Net— Willapa Bay- Columbia river	\$380	(( <del>\$685</del> )) <u>\$455</u>	plus \$100	\$105
(d)	Salmon purse seine	(( <del>\$530</del> )) <u>\$545</u>	(( <del>\$985</del> )) <u>\$620</u>	plus \$100	\$105
(e)	Salmon reef net	\$380	(( <del>\$685</del> )) <u>\$455</u>	plus \$100	\$105
(f)	Salmon troll	\$380	(( <del>\$685</del> )) <u>\$455</u>	plus \$100	\$105

(2) A license issued under this section authorizes no taking or delivery of salmon or other food fish unless a vessel is designated under RCW 77.65.100.

(3) Holders of commercial salmon fishery licenses may retain incidentally caught food fish other than salmon, subject to rules of the department.

(4) A salmon troll license includes a salmon delivery license.

(5) A salmon gill net license authorizes the taking of salmon only in the geographical area for which the license is issued. The geographical designations in subsection (1) of this section have the following meanings:

(a) "Puget Sound" includes waters of the Strait of Juan de Fuca, Georgia Strait, Puget Sound and all bays, inlets, canals, coves, sounds, and estuaries lying easterly and southerly of the international boundary line and a line at the entrance to the Strait of Juan de Fuca projected northerly from Cape Flattery to the lighthouse on Tatoosh Island and then to Bonilla Point on Vancouver Island.

(b) "Grays Harbor-Columbia river" includes waters of Grays Harbor and tributary estuaries lying easterly of a line projected northerly from Point Chehalis Light to Point Brown and those waters of the Columbia river and tributary sloughs and estuaries easterly of a line at the entrance to the Columbia river projected southerly from the most westerly point of the North jetty to the most westerly point of the South jetty.

(c) "Willapa Bay-Columbia river" includes waters of Willapa Bay and tributary estuaries and easterly of a line projected northerly from Leadbetter Point to the Cape Shoalwater tower and those waters of the Columbia river and tributary sloughs described in (b) of this subsection.

(6) A commercial salmon troll fishery license may be renewed under this section if the license holder notifies the department by May 1st of that year that he or she will not participate in the fishery during that calendar year. A commercial salmon gill net, reef net, or seine fishery license may be renewed under this section if the license holder notifies the department before the third

Monday in September of that year that he or she will not participate in the fishery during that calendar year. The license holder must pay the one hundred dollar enhancement surcharge, plus a one hundred five dollar application fee before the third Monday in September, in order to be considered a valid renewal and eligible to renew the license the following year.

(7) Notwithstanding the annual license fees and surcharges established in subsection (1) of this section, a person who holds a resident commercial salmon fishery license shall pay an annual license fee of one hundred dollars plus the surcharge and application fee if all of the following conditions are met:

(a) The license holder is at least seventy-five years of age;

(b) The license holder owns a fishing vessel and has fished with a resident commercial salmon fishery license for at least thirty years; and

(c) The commercial salmon fishery license is for a geographical area other than the Puget Sound.

An alternate operator may not be designated for a license renewed at the one hundred dollar annual fee under this subsection (7).

Sec. 23. RCW 77.65.170 and 2011 c 339 s 20 are each amended to read as follows:

(1) A salmon delivery license is required for a commercial fishing vessel to deliver salmon taken for commercial purposes in offshore waters to a place or port in the state. As used in this section, "deliver" and "delivery" mean arrival at a place or port, and include arrivals from offshore waters to waters within the state and arrivals ashore from offshore waters. The annual fee for a salmon delivery license is ((three)) four hundred ((eighty)) thirty dollars for residents and ((six)) five hundred ((eighty-five)) five dollars for nonresidents. The application fee for a salmon delivery license is one hundred five dollars. The annual surcharge under RCW 77.95.090 is one hundred dollars for each license. Holders of nonlimited entry delivery license fee against the salmon delivery license fee.

(2) Only a person who meets the qualifications established in RCW 77.70.090 may hold a salmon delivery license issued under this section.

(3) A salmon delivery license authorizes no taking of salmon or other ((food)) fish or shellfish from the waters of the state.

(4) If the director determines that the operation of a vessel under a salmon delivery license results in the depletion or destruction of the state's salmon resource or the delivery into this state of salmon products prohibited by law, the director may revoke the license under the procedures of chapter 34.05 RCW.

Sec. 24. RCW 77.65.190 and 2011 c 339 s 21 are each amended to read as follows:

A person who does not qualify for a license under RCW 77.70.090 shall obtain a nontransferable emergency salmon delivery license to make one delivery from a commercial fishing vessel of salmon taken for commercial purposes in offshore waters. As used in this section, "delivery" means arrival at a place or port, and include arrivals from offshore waters to waters within the state and arrivals ashore from offshore waters. The director shall not issue an emergency salmon delivery license unless, as determined by the director, a bona fide emergency exists. The license fee is two hundred ((twenty-five)) seventy-

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<u>five</u> dollars for residents and ((four)) <u>three</u> hundred ((seventy-five)) <u>fifty</u> dollars for nonresidents. The application fee is one hundred five dollars. An applicant for an emergency salmon delivery license shall designate no more than one vessel that will be used with the license. Alternate operator licenses are not required of persons delivering salmon under an emergency salmon delivery license. Emergency salmon delivery licenses are not renewable.

Sec. 25. RCW 77.65.200 and 2011 c 339 s 22 are each amended to read as follows:

(1) This section establishes commercial fishery licenses required for food fish fisheries and the annual fees for those licenses. As used in this section, "food fish" does not include salmon. The director may issue a limited-entry commercial fishery license only to a person who meets the qualifications established in applicable governing sections of this title.

Fishery (Governing section(s))	Annual Fee		Application Fee	Vessel Required?	Limited Entry?
	Resident	Nonresident			
(a) Baitfish Lampara	(( <del>\$185</del> )) <u>\$335</u>	(( <del>\$295</del> )) <u>\$410</u>	\$ 70	Yes	No
(b) Baitfish purse seine	(( <del>\$530</del> )) <u>\$380</u>	(( <del>\$985</del> )) <u>\$655</u>	\$ 70	Yes	No
(c) Bottom fish jig	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	Yes	No
(d) Bottom fish pot	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	Yes	No
(e) Bottom fish troll	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	Yes	No
(f) Carp	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	No	No
(g) Columbia river smelt	(( <del>\$380</del> )) <u>\$430</u>	(( <del>\$685</del> )) <u>\$505</u>	\$ 70	No	No
(h) (( <del>Dog fish set net</del>	<del>\$130</del>	<del>\$185</del>	<del>\$ 70</del>	Yes	No
Fishery (Governing section(s))	Annual Fee		Application Fee	Vessel Required?	Limited Entry?
(i))) Emerging commercial fishery (RCW 77.70.160 and 77.65.400)	(( <del>\$185</del> )) <u>\$335</u>	(( <del>\$295</del> )) <u>\$410</u>	\$105	Determined by rule	Determined by rule
(( <del>(j)</del> )) <u>(i)</u> Food fish drag seine	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	Yes	No
(( <del>(k)</del> )) <u>(j)</u> Food fish set line	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	Yes	No
(( <del>(l) Food fish trawl- Non-Puget</del> Sound	<del>\$240</del>	<del>\$405</del>	<del>\$ 70</del>	Yes	No
(m) Food fish trawl-	<del>\$185</del>	<del>\$295</del>	<del>\$ 70</del>	Yes	No

Puget Sound	((0175))	((\$275)) \$400	¢ 70	X	V
( <del>n)</del> )) ( <u>k</u> ) Herring dip bag net (RCW 77.70.120)	(( <del>\$175</del> )) <u>\$325</u>	(( <del>\$275</del> )) <u>\$400</u>	\$ 70	Yes	Yes
((( <del>(o)</del> ))) ( <u>1</u> ) Herring drag seine (RCW	(( <del>\$175</del> )) <u>\$325</u>	(( <del>\$275</del> )) <u>\$400</u>	\$ 70	Yes	Yes
77.70.120) ((( <del>(p)</del> ))) ( <u>m)</u> Herring gill net (RCW	(( <del>\$175</del> )) <u>\$325</u>	(( <del>\$275</del> )) <u>\$400</u>	\$105	Yes	Yes
77.70.120)					
(( <del>(q)</del> )) <u>(n)</u> Herring Lampara (RCW 77.70.120)	(( <del>\$175</del> )) <u>\$325</u>	(( <del>\$275</del> )) <u>\$400</u>	\$ 70	Yes	Yes
((( <del>(r)</del> ))) ( <u>o</u> ) Herring purse seine (RCW 77.70.120)	(( <del>\$175</del> )) <u>\$325</u>	(( <del>\$275</del> )) <u>\$400</u>	\$105	Yes	Yes
((( <del>s)</del> )) ( <u>p</u> ) Herring spawn-on-kelp (RCW 77.70.210)	N/A	N/A	N/A	Yes	Yes
((( <del>(t)</del> ))) ( <u>q</u> ) Sardine purse seine (RCW 77.70.480)	(( <del>\$185</del> )) <u>\$335</u>	(( <del>\$295</del> )) <u>\$410</u>	\$105	Yes	Yes
((( <del>u)</del> ))) ( <u>r</u> ) Sardine purse seine temporary (RCW 77.70.480)	(( <del>\$185</del> )) <u>\$335</u>	(( <del>\$295</del> )) <u>\$410</u>	\$105	Yes	No
(( <del>(v)</del> )) <u>(s)</u> Smelt dip bag net	(( <del>\$130</del> )) \$180	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	No	No
Fishery (Governing section(s))		nual Fee	Application Fee	Vessel Required?	Limited Entry?
(( <del>(w)</del> )) <u>(t)</u> Smelt gill net	(( <del>\$380</del> )) <u>\$430</u>	(( <del>\$685</del> )) <u>\$505</u>	\$ 70	Yes	No
(( <del>(x)</del> ))) <u>(v)</u> Whiting- Puget Sound (RCW 77.70.130)	(( <del>\$295</del> )) <u>\$345</u>	(( <del>\$520</del> )) <u>\$420</u>	\$105	Yes	Yes
· · · · · · · · · · · · · · · · · · ·					

(2) The director may by rule determine the species of food fish that may be taken with the commercial fishery licenses established in this section, the gear that may be used with the licenses, and the areas or waters in which the licenses may be used. Where a fishery license has been established for a particular species, gear, geographical area, or combination thereof, a more general fishery license may not be used to take food fish in that fishery.

Sec. 26. RCW 77.65.210 and 2011 c 339 s 23 and 2011 c 147 s 3 are each reenacted and amended to read as follows:

(1) Except as provided in subsection (2) of this section, a person may not use a commercial fishing vessel to deliver food fish or shellfish taken for commercial purposes in offshore waters to a port in the state without a nonlimited entry delivery license. As used in this section, "deliver" and "delivery" mean arrival at a place or port, and include arrivals from offshore waters to waters within the state and arrivals ashore from offshore waters. As used in this section, "food fish" does not include salmon. As used in this section, "shellfish" does not include ocean pink shrimp, coastal crab, coastal spot shrimp, or fish or shellfish taken under an emerging commercial fisheries license if taken from off-shore waters. The annual license fee for a nonlimited entry delivery license is ((<del>one</del>)) two hundred ((ten)) sixty dollars for residents and ((two)) three hundred thirty-five dollars for nonresidents to be deposited in the rockfish research account created in RCW 77.12.702. The application fee for a nonlimited entry delivery license is one hundred five dollars.

(2) Holders of the following licenses may deliver food fish or shellfish taken in offshore waters without a nonlimited entry delivery license: Salmon troll fishery licenses issued under RCW 77.65.160; salmon delivery licenses issued under RCW 77.65.170; crab pot fishery licenses issued under RCW 77.65.220; food fish trawl—Non-Puget Sound fishery licenses, and emerging commercial fishery licenses issued under RCW 77.65.200; Dungeness crab—coastal fishery licenses; ocean pink shrimp delivery licenses; ((shrimp trawl_Non-Puget Sound fishery licenses;)) Washington coastal spot shrimp pot fishery licenses issued under chapter 77.70 RCW; and emerging commercial fishery licenses issued under RCW 77.65.220.

(3) A nonlimited entry delivery license authorizes no taking of ((food)) fish or shellfish from state waters.

Sec. 27. RCW 77.65.220 and 2011 c 339 s 24 and 2011 c 147 s 4 are each reenacted and amended to read as follows:

(1) This section establishes commercial fishery licenses required for shellfish fisheries and the annual fees for those licenses. The director may issue a limited-entry commercial fishery license only to a person who meets the qualifications established in applicable governing sections of this title.

Fishery (Governing section(s))	An	nual Fee	Application Fee	Vessel Required?	Limited Entry?
(a) Burrowing shrimp	Resident (( <del>\$185</del> )) <u>\$235</u>	Nonresident (( <del>\$295</del> )) <u>\$310</u>	\$105	Yes	No
(b) (( <del>Crab ring net-</del> Non-Puget Sound	<del>\$130</del>	<del>\$185</del>	<del>\$ 70</del>	Yes	No
(c))) Crab ring net-	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	Yes	No
Puget Sound					
((( <del>(d)</del> ))) ( <u>c</u> ) Dungeness crab-coastal (RCW 77.70.280)	(( <del>\$295</del> )) <u>\$345</u>	(( <del>\$520</del> )) <u>\$420</u>	\$105	Yes	Yes

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(( <del>(e) Dungeness crab- coastal, class B</del> (RCW 77.70.280)	<del>\$295</del>	<del>\$520</del>	<del>\$105</del>	Yes	<del>Yes</del>
(f))) (d) Dungeness crab- Puget Sound	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$105	Yes	Yes
(RCW 77.70.110) ((( <del>g)</del> )) ( <u>e</u> ) Emerging commercial fishery (RCW 77.70.160 and 77.65.400)	(( <del>\$185</del> )) <u>\$335</u>	(( <del>\$295</del> )) <u>\$410</u>	\$105	Determined by rule	Determined by rule
(( <del>(h)</del> ))) <u>(f)</u> Geoduck (RCW 77.70.220)	\$ 0	\$ 0	\$ 70	Yes	Yes
(( <del>(i)</del> )) (g) Hardshell clam mechanical harvester	(( <del>\$530</del> )) <u>\$580</u>	(( <del>\$985</del> )) <u>\$655</u>	\$ 70	Yes	No
(RCW 77.65.250) ((( <del>j)</del> )) ( <u>h</u> ) Oyster reserve (RCW 77.65.260)	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	No	No
(((k))) (i) Razor clam	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$105	No	No
(( <del>(l)</del> )) <u>(j)</u> Sea cucumber dive	(( <del>\$130</del> )) <u>\$280</u>	(( <del>\$185</del> )) <u>\$355</u>	\$105	Yes	Yes
(RCW 77.70.190)					
(( <del>(m)</del> ))) <u>(k)</u> Sea urchin dive	(( <del>\$130</del> )) <u>\$280</u>	(( <del>\$185</del> )) <u>\$355</u>	\$105	Yes	Yes
(RCW 77.70.150) (( <del>(n)</del> )) <u>(1)</u> Shellfish dive	(( <del>\$130</del> ))	(( <del>\$185</del> )) \$255	\$ 70	Yes	No
$\left(\left(\frac{(1)}{(1)}\right)\right)\left(\frac{1}{(1)}\right)$ Sherifish dive	<u>((\$130))</u> <u>\$180</u>	(( <del>\$165</del> )) <u>\$255</u>	\$ 70	105	INU
(((0))) (m) Shellfish pot	(( <del>\$130</del> )) <u>\$180</u>	(( <del>\$185</del> )) <u>\$255</u>	\$ 70	Yes	No
Fishery (Governing section(s))	An	nual Fee	Application Fee	Vessel Required?	Limited Entry?
((( <del>(p)</del> ))) <u>(n)</u> Shrimp pot- Puget Sound	(( <del>\$185</del> )) <u>\$335</u>	(( <del>\$295</del> )) <u>\$410</u>	\$105	Yes	Yes
(RCW 77.70.410)					
(( <del>(q) Shrimp trawl-</del> Non-Puget Sound	<del>\$240</del>	<del>\$405</del>	<del>\$105</del>	Yes	No
( <del>r)</del> )) ( <u>o)</u> Shrimp trawl- Puget Sound	(( <del>\$185</del> )) <u>\$335</u>	(( <del>\$295</del> )) <u>\$410</u>	\$105	Yes	Yes
(RCW 77.70.420)					
((( <del>(s)</del> ))) ( <u>p</u> ) Spot shrimp- coastal	(( <del>\$185</del> )) <u>\$335</u>	(( <del>\$295</del> )) <u>\$410</u>	<u>\$ 70</u>	Yes	Yes

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((<del>(t)</del>)) (<u>q</u>) Squid ((<del>\$185</del>)) ((<del>\$295</del>)) <u>\$410</u> \$ 70 Yes No <u>\$335</u>

(2) The director may by rule determine the species of shellfish that may be taken with the commercial fishery licenses established in this section, the gear that may be used with the licenses, and the areas or waters in which the licenses may be used. Where a fishery license has been established for a particular species, gear, geographical area, or combination thereof, a more general fishery license may not be used to take shellfish in that fishery.

Sec. 28. RCW 77.65.240 and 2000 c 107 s 45 are each amended to read as follows:

A surcharge of one hundred twenty dollars shall be collected with each Dungeness crab-coastal fishery license ((and with each Dungeness crab-coastal elass B fishery license)) issued under RCW 77.65.220. Moneys collected under this section shall be placed in the coastal crab account created under RCW 77.70.320.

Sec. 29. RCW 77.65.280 and 2014 c 48 s 27 are each amended to read as follows:

(1) A ((wholesale)) fish ((dealer's)) dealer license is required for((:

(a) A business in the state to engage in the commercial processing of food fish or shellfish, including custom canning or processing of personal use food fish or shellfish.

(b) A business in the state to engage in the wholesale selling, buying, or brokering of food fish or shellfish. A wholesale fish dealer's license is not required of those businesses which buy exclusively from Washington licensed wholesale dealers and sell solely at retail.

(c) Fishers who land and sell their catch or harvest in the state to anyone other than a licensed wholesale dealer within or outside the state, unless the fisher has a direct retail endorsement.

(d) A business to engage in the commercial manufacture or preparation of fertilizer, oil, meal, eaviar, fish bait, or other by-products from food fish or shellfish.

(e) A business engaging a fish buyer as defined under RCW 77.65.340.

(2))) <u>a person in the state who:</u>

(a) Takes possession of raw or frozen fish or shellfish, in whole or in parts, to prepare, repackage, process, or preserve. This includes, but is not limited to:

(i) Canning or processing of fish or shellfish for payment, whether the fish or shellfish is commercially harvested or taken for personal use; and

(ii) The commercial manufacture or preparation of fertilizer, oil, meal, caviar, fish bait, or any other by-products from fish or shellfish;

(b) Engages in the wholesale selling, buying, or brokering of raw or frozen fish or shellfish. Certain buyers may be additionally required to obtain a wholesale fish buyer endorsement as specified in RCW 77.65.340.

(2) A fish dealer license is not required for:

(a) Licensed commercial fish or shellfish harvesters who either sell only to licensed wholesale fish buyers or who possess a limited fish seller endorsement;

(b) Retail businesses that purchase exclusively from Washington licensed wholesale fish buyers or from limited fish sellers for sale to end consumers.

(3) A business engaged in any activity requiring a fish dealer license only needs to purchase one fish dealer license to cover the actions of all employees.

(4) The annual license fee for a ((wholesale)) resident fish dealer is ((two)) four hundred ((fifty)) dollars. The fee for a nonresident fish dealer license is four hundred seventy-five dollars. The application fee for both resident and nonresident licenses is one hundred five dollars. ((A wholesale fish dealer's license is not required for persons engaged in the processing, wholesale selling, buying, or brokering of private sector cultured aquatic products as defined in RCW 15.85.020. However, if a means of identifying such products is required by rules adopted under RCW 15.85.060, the exemption from licensing requirements established by this subsection applies only if the aquatic products are identified in conformance with those rules.))

Sec. 30. RCW 77.65.310 and 1996 c 267 s 29 are each amended to read as follows:

Wholesale fish ((dealers)) <u>buyers and limited fish sellers</u> are ((responsible for documenting)) required to document the commercial harvest of ((food)) fish and shellfish according to the rules of the department. ((The director may allow only wholesale fish dealers or their designees to receive the forms necessary for the accounting of the commercial harvest of food fish and shellfish.))

Sec. 31. RCW 77.65.320 and 2000 c 107 s 49 are each amended to read as follows:

(1) A wholesale fish ((dealer shall not take possession of food fish or shellfish until the dealer has deposited)) buyer or limited fish seller must deposit with the department an acceptable performance bond on forms prescribed and furnished by the department before engaging in fish selling or buying activities. This performance bond shall be a corporate surety bond executed in favor of the department by a corporation authorized to do business in the state of Washington under chapter 48.28 RCW and approved by the department.

(a) For wholesale fish buyers, the bond shall be filed and maintained in an amount equal to ((one)) two thousand dollars. For each additional buyer engaged by the wholesale ((dealer. In no case shall the bond be less than two thousand dollars nor more than fifty thousand dollars)) business, the bond must be increased an additional one thousand dollars.

(b) For limited fish sellers, the bond shall be filed and maintained in an amount equal to one thousand dollars.

(c) The department may increase the bond amount for persons who have violated rules relating to the accounting of commercial harvest.

(2) ((A wholesale dealer shall, within seven days of engaging additional fish buyers, notify the department and increase the amount of the bonding required in subsection (1) of this section.

(3))) The director may suspend and refuse to reissue a wholesale fish  $((\frac{\text{dealer's license}}{\text{buyer endorsement}}))$  of a  $((\frac{\text{dealer}}{\text{buyer endorsement}}))$  buyer endorsement endors

(3) The director may suspend and refuse to reissue a limited fish seller endorsement to a commercial fisher who has sold fish or shellfish without an acceptable performance bond on deposit with the department.

(4) The bond shall be conditioned upon the compliance with the requirements of this chapter and rules of the department relating to the payment of fines for violations of rules for the accounting of the commercial harvest of ((food)) fish or shellfish. In lieu of the surety bond required by this section, the wholesale fish ((dealer)) buyer or limited fish seller may file with the department a cash deposit, negotiable securities acceptable to the department, or an assignment of a savings account or of a savings certificate in a Washington bank on an assignment form prescribed by the department.

(5) ((Liability under the bond shall be maintained as long as the wholesale fish dealer engages in activities under RCW 77.65.280 unless released.)) Liability under the bond may be released only upon written notification from the department. Notification shall be given upon acceptance by the department of a substitute bond or forty-five days after the expiration of the wholesale fish ((dealer's annual license)) buyer or limited fish seller annual endorsement. In no event shall the liability of the surety exceed the amount of the surety bond required under this chapter.

Sec. 32. RCW 77.65.330 and 1985 c 248 s 7 are each amended to read as follows:

The director shall promptly notify by order a wholesale ((dealer)) fish buyer or limited fish seller and the appropriate surety when a violation of rules relating to the accounting of commercial harvest has occurred. The notification shall specify the type of violation, the liability to be imposed for damages caused by the violation, and a notice that the amount of liability is due and payable to the department by the wholesale fish ((dealer)) buyer or limited fish seller and the surety.

If the amount specified in the order is not paid within thirty days after receipt of the notice, the prosecuting attorney for any county in which the persons to whom the order is directed do business, or the attorney general upon request of the department, may bring an action on behalf of the state in the superior court for Thurston county or any county in which the persons to whom the order is directed do business to recover the amount specified in the final order of the department. The surety shall be liable to the state to the extent of the bond.

Sec. 33. RCW 77.65.340 and 2014 c 48 s 28 are each amended to read as follows:

(1) A ((fish buyer's license is required of and shall be carried by each individual engaged by a wholesale fish dealer to purchase food fish or shellfish from a commercial fisher. A fish buyer may represent only one wholesale fish dealer.

(2))) wholesale fish buyer endorsement is required for a licensed fish dealer:

(a) To take first possession or ownership of fish or shellfish directly from a commercial fisher that is landed into the state of Washington;

(b) To take first possession or ownership of raw or frozen fish or shellfish in the state of Washington from interstate or foreign commerce; or

(c) To engage in the wholesale buying or selling of fish or shellfish harvested by Indian fishers lawfully exercising fishing rights reserved by federal statute, treaty, or executive order, and the dealer is also responsible for documenting the commercial harvest and sales according to the rules of the department.

(2) A business licensed as a fish dealer must purchase at least one wholesale fish buyer endorsement to engage in the activities in subsection (1) of this section, which allows the business to buy or sell on its premises and which allows one named employee to buy and sell off premises. A business must obtain an additional wholesale fish buyer endorsement for each additional employee who buys and sells fish or shellfish off premises.

(3) The annual fee for a <u>resident wholesale</u> fish buyer's ((<del>license is ninety-five</del>)) <u>endorsement is two hundred forty-five</u> dollars. <u>The annual fee for a nonresident wholesale fish buyer's endorsement is three hundred twenty dollars</u>. The application fee <u>for both resident and nonresident endorsements</u> is one hundred five dollars.

Sec. 34. RCW 77.65.350 and 1996 c 267 s 31 are each amended to read as follows:

(1) ((A salmon roe license is required for a))  $\underline{C}$  rew members on a boat designated on a salmon charter license ((to)) may sell salmon roe ((as provided in subsection (2) of this section. An individual under sixteen years of age may hold a salmon roe license.

(2) A crew member on a boat designated on a salmon charter license may sell salmon roe taken from fish caught for personal use, subject to rules of the department and the following conditions)) subject to rules of the department as long as:

(a) The salmon is taken by an angler fishing on the charter boat <u>and</u> recorded on the angler's catch record card;

(b) The roe is the property of the angler until the roe is given to the crew member. The crew member shall notify the charter boat's passengers of this fact;

(c) The crew member sells the roe to a licensed wholesale ((dealer))  $\underline{\rm fish}$   $\underline{\rm buyer};$  and

(d) The crew member is ((licensed as provided in subsection (1) of this section and has the license in possession whenever the crew member sells salmon roe)) employed on a salmon charter boat designated on a valid license at the time of the sale.

Sec. 35. RCW 77.65.370 and 2015 c 103 s 2 and 2015 c 97 s 4 are each reenacted and amended to read as follows:

(1) A person shall not offer or perform the services of a food fish guide without a food fish guide license in the taking of food fish for personal use, except that a charter boat license is required to operate a vessel from which a person may for a fee fish for food fish in state waters listed in RCW 77.65.150(4)(b).

(2) A person shall not offer or perform the services of a game fish guide without a game fish guide license in the taking of game fish for personal use.

(3) Only an individual at least sixteen years of age may hold a food fish guide or game fish guide license. No individual may hold more than one food fish guide or game fish guide license.

(4) An application for a food fish guide or game fish guide license must include the information required in RCW 77.65.560.

(5) A food fish guide license purchased by a person, firm, or business on behalf of an employee is subject to RCW 77.65.600.

(6) A food fish guide, a game fish guide, or a combination guide may sell recreational one-day temporary combination fishing licenses as described in RCW 77.32.470.

Sec. 36. RCW 77.65.390 and 2011 c 339 s 27 are each amended to read as follows:

An ocean pink shrimp delivery license is required for a commercial fishing vessel to deliver ocean pink shrimp taken for commercial purposes in offshore waters and delivered to a port in the state. As used in this section, "deliver" and "delivery" mean arrival at a place or port, and include arrivals from offshore waters to waters within the state and arrivals from state or offshore waters. The annual license fee is ((one)) three hundred ((fifty)) dollars for residents and three hundred seventy-five dollars for nonresidents. The application fee is one hundred five dollars. Ocean pink shrimp delivery licenses are transferable.

Sec. 37. RCW 77.65.440 and 2011 c 339 s 28 are each amended to read as follows:

The director shall issue the personal licenses listed in this section according to the requirements of this title. The licenses and their annual fees are:

Personal License (R	Annual Fee (RCW 77.95.090 Surcharge)		11	Governing Section
· · · · · · · · · · · · · · · · · · ·	Resident	Nonresident		Section
(1) Alternate		(( <del>\$-35</del> )) <u>\$260</u>	\$ 70	RCW 77.65.130
Operator	<u>\$185</u>		• -•	
(2) Geoduck Diver	(( <del>\$185</del> )) <u>\$355</u>	(( <del>\$295</del> )) <u>\$410</u>	\$ 70	RCW 77.65.410
(3) Food Fish Guide	(( <del>\$130</del> )) <u>\$280</u>	(( <del>\$630</del> )) <u>\$355</u>	\$ 70	RCW 77.65.370
	(plus \$20)	(plus \$100)		

Sec. 38. RCW 77.65.480 and 2015 c 103 s 3 are each amended to read as follows:

(1) A taxidermy license allows the holder to practice taxidermy for commercial purposes, as that term is defined in RCW 77.15.110. The fee for this license is one hundred eighty dollars. The application fee is seventy dollars.

(2) A fur dealer's license allows the holder to purchase, receive, or resell raw furs for commercial purposes, as that term is defined in RCW 77.15.110. The fee for this license is one hundred eighty dollars. The application fee is seventy dollars.

(3)(a) A game fish guide license allows the holder to offer or perform the services of a game fish guide in the taking of game fish. The fee for this license is ((one)) four hundred ((eighty)) ten dollars for a resident and ((six)) four hundred eighty-five dollars for a nonresident. The application fee is seventy dollars. An application for a game fish guide license must include the information required in RCW 77.65.560.

(b) A game fish guide license purchased by a person, firm, or business on behalf of an employee is subject to RCW 77.65.600.

(4) A game farm license allows the holder to operate a game farm to acquire, breed, grow, keep, and sell wildlife under conditions prescribed by the rules adopted pursuant to this title. The fee for this license is seventy-two dollars for the first year and forty-eight dollars for each following year. The application fee is seventy dollars.

(5) A game fish stocking permit allows the holder to release game fish into the waters of the state as prescribed by rule of the commission. The fee for this permit is twenty-four dollars. The application fee is seventy dollars.

(6) A fishing or field trial permit allows the holder to promote, conduct, hold, or sponsor a fishing or field trial contest in accordance with rules of the commission. The fee for a fishing contest permit is twenty-four dollars. The fee for a field trial contest permit is twenty-four dollars. The application fee is seventy dollars.

 $((\frac{7}{a})$  An anadromous game fish buyer's license allows the holder to purchase or sell steelhead trout and other anadromous game fish harvested by Indian fishers lawfully exercising fishing rights reserved by federal statute, treaty, or executive order, under conditions prescribed by rule of the director. The fee for this license is one hundred eighty dollars. The application fee is one hundred five dollars.

(b) An anadromous game fish buyer's license is not required for those businesses that buy steelhead trout and other anadromous game fish from Washington licensed game fish dealers and sell solely at retail.))

Sec. 39. RCW 77.65.490 and 2001 c 253 s 56 are each amended to read as follows:

(1) A license issued by the director is required to:

(a) Practice taxidermy for commercial purposes;

(b) Deal in raw furs for commercial purposes;

(c) Act as a fishing guide; or

(d) Operate a game farm((; or

(e) Purchase or sell anadromous game fish)).

(2) A permit issued by the director is required to:

(a) Conduct, hold, or sponsor hunting or fishing contests or competitive field trials using live wildlife;

(b) Collect wild animals, wild birds, game fish, food fish, shellfish, or protected wildlife for research or display;

(c) Stock game fish; or

(d) Conduct commercial activities on department-owned or controlled lands.

(3) Aquaculture as defined in RCW 15.85.020 is exempt from the requirements of this section, except when being stocked in public waters under contract with the department.

Sec. 40. RCW 77.65.500 and 2015 c 97 s 9 are each amended to read as follows:

Licensed taxidermists, fur dealers, ((anadromous game fish buyers)) fishing guides, game farmers, and persons stocking game fish or conducting a hunting, fishing, or field trial contest shall make reports as required by rules of the director.

Sec. 41. RCW 77.65.510 and 2011 c 339 s 31 are each amended to read as follows:

(1) The ((department must establish and administer a direct retail endorsement to serve as a single license that)) limited fish seller endorsement permits a ((Washington)) license holder or alternate operator to ((commercially harvest retail-eligible species and to)) clean, dress, and sell his or her commercially harvested catch directly to consumers at retail((, including over the internet)). The ((direct retail endorsement must be issued as an optional addition to all holders of: (a) A commercial fishing license for retail-eligible species that the department offers under this chapter; and (b) an alternate operator license who are designated as an alternate operator on a commercial fishing license for retail eligible species)) limited seller endorsement may be issued as an optional addition to all holders of a commercial fishing license issued by the department and may be purchased at the time of the underlying license sale or any time thereafter.

(2) ((The direct retail endorsement must be offered at the time of application for the qualifying commercial fishing license. Individuals in possession of a qualifying commercial fishing license issued under this chapter, and alternate operators designated on such a license, may add a direct retail endorsement to their current license at any time. Individuals who do not have a commercial fishing license for retail-eligible species issued under this chapter, and who are not designated as alternate operators on such a license, may not receive a direct retail endorsement. The costs, conditions, responsibilities, and privileges associated with the endorsed commercial fishing license is not affected or altered in any way by the addition of a direct retail endorsement. These costs include the base cost of the license and any revenue and excise taxes.)) The holder of a limited fish seller endorsement selling their own catch directly to consumers is exempt from the permitting requirements of chapter 246-215 WAC. To ensure food safety for consumers, the holder of a limited fish seller endorsement must follow these requirements: (a) Only sell fresh, whole fish or fresh fish that has been cleaned and dressed; (b) use ice from a commercial source to hold the fish; and (c) provide the buyer with a receipt stating the date of purchase, Washington fish-receiving ticket number documenting the original delivery, name, address, and phone number of the holder of the limited fish seller endorsement from whom the fish or shellfish was purchased, and the species and weight or number of fish or shellfish sold. Failure to satisfy these food safety requirements is punishable as an infraction under RCW 77.15.160. A licensed commercial fisher holding a limited fish seller endorsement may allow a designated alternate to sell under the authority of that endorsement.

(3) An individual need only add one ((direct retail)) limited fish seller endorsement to his or her license portfolio. If a ((direct retail)) limited fish seller endorsement is selected by an individual holding more than one commercial fishing license issued ((under this chapter, a single direct retail)) by the department, an endorsement is considered to be added to all ((qualifying)) commercial fishing licenses held by that individual, and is the only ((license)) endorsement required for the individual to sell at retail any ((retail-eligible)) species permitted by ((all)) any of the underlying endorsed licenses. ((If a direct retail endorsement is selected by an individual designated as an alternate operator on more than one commercial license issued under this chapter, a single

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direct retail endorsement is the only license required for the individual to sell at retail any retail-eligible species permitted by all of the underlying endorsed licenses on which the individual is designated as an alternate operator. The direct retail endorsement applies only to the Washington license holder or alternate

(4) ((In addition to any fees charged for the endorsed licenses and harvest documentation as required by this chapter or the rules of the department, the department may set a reasonable annual fee not to exceed the administrative costs to the department for a direct retail endorsement.)) The fee for a resident limited fish seller endorsement is seventy dollars. The fee for a nonresident limited fish seller endorsement is one hundred forty-five dollars. The application fee for both a resident and nonresident endorsement is one hundred five dollars.

operator obtaining the endorsement.))

(5) The holder of a ((direct retail)) limited fish seller endorsement is responsible for documenting the commercial harvest ((of salmon and erab)) and sales according to ((the provisions of this chapter,)) the rules of the department ((for a wholesale fish dealer, and the reporting requirements of the endorsed license. Any retail-eligible species caught by the holder of a direct retail endorsement must be documented on fish tickets)).

(6) ((The direct retail endorsement must be displayed in a readily visible manner by the seller wherever and whenever a sale to someone other than a licensed wholesale dealer occurs. The commission may require that the holder of a direct retail endorsement notify the department up to eighteen hours before conducting an in person sale of retail eligible species, except for in person sales that have a cumulative retail sales value of less than one hundred fifty dollars in a twenty four hour period that are sold directly from the vessel. For sales occurring in a venue other than in person, such as over the internet, through a catalog, or on the phone, the direct retail endorsement number of the seller must be provided to the buyer both at the time of sale and the time of delivery. All internet sales must be conducted in accordance with federal laws and regulations.

(7))) The ((direct retail)) limited fish seller endorsement is to be held by a natural person and is not transferable or assignable. If the endorsed license is transferred, the ((direct retail)) limited fish seller endorsement immediately becomes void, and the transferor is not eligible for a full or prorated reimbursement of the annual fee paid for the ((direct retail)) limited fish seller endorsement. Upon becoming void, the holder of a ((direct retail)) limited fish seller endorsement must surrender the physical endorsement to the department.

(((8) The holder of a direct retail endorsement must abide by the provisions of Title 69 RCW as they apply to the processing and retail sale of seafood. The department must distribute a pamphlet, provided by the department of agriculture, with the direct retail endorsement generally describing the labeling requirements set forth in chapter 69.04 RCW as they apply to seafood.

(9))) (7) The holder of a qualifying commercial fishing license ((issued under this chapter,)) or an alternate operator designated on such a license, must either possess a ((direct retail)) limited fish seller endorsement or a wholesale ((dealer license)) fish buyer endorsement provided for in RCW ((77.65.280)) 77.65.340 in order to lawfully sell their catch or harvest in the state to anyone other than a licensed wholesale ((dealer)) fish buyer.

(((10) The direct retail endorsement entitles the holder to sell a retaileligible species only at a temporary food service establishment as that term is defined in RCW 69.06.045, or directly to a restaurant or other similar food service business.))

**Sec. 42.** RCW 77.15.160 and 2014 c 202 s 204 and 2014 c 48 s 7 are each reenacted and amended to read as follows:

The following acts are infractions and must be cited and punished as provided under chapter 7.84 RCW:

(1) Fishing and shellfishing infractions:

(a) Barbed hooks: Fishing for personal use with barbed hooks in violation of any department rule.

(b) Catch recording: Failing to immediately record a catch of fish or shellfish on a catch record card as required by RCW 77.32.430 or department rule.

(c) Catch reporting: Failing to return a catch record card to the department for other than Puget Sound Dungeness crab, as required by department rule.

(d) Recreational fishing: Fishing for fish or shellfish and, without yet possessing fish or shellfish, the person:

(i) Owns, but fails to have in the person's possession the license or the catch record card required by chapter 77.32 RCW for such an activity; or

(ii) Violates any department rule regarding seasons, closed areas, closed times, or any other rule addressing the manner or method of fishing for fish or shellfish. This subsection does not apply to use of a net to take fish under RCW 77.15.580 or the unlawful use of shellfish gear for personal use under RCW 77.15.382.

(e) Seaweed: Taking, possessing, or harvesting less than two times the daily possession limit of seaweed:

(i) While owning, but not having in the person's possession, the license required by chapter 77.32 RCW; or

(ii) In violation of any rule of the department or the department of natural resources regarding seasons, closed areas, closed times, or any other rule addressing the manner or method of taking, possessing, or harvesting of seaweed.

(f) Unclassified fish or shellfish: Taking unclassified fish or shellfish in violation of any department rule by killing, fishing, taking, holding, possessing, or maliciously injuring or harming fish or shellfish that is not classified as game fish, food fish, shellfish, protected fish, or endangered fish.

(g) Wasting fish or shellfish: Killing, taking, or possessing fish or shellfish having a value of less than two hundred fifty dollars and allowing the fish or shellfish to be wasted.

(2) Hunting infractions:

(a) Eggs or nests: Maliciously, and without permit authorization, destroying, taking, or harming the eggs or active nests of a wild bird not classified as endangered or protected. For purposes of this subsection, "active nests" means nests that contain eggs or fledglings.

(b) Unclassified wildlife: Taking unclassified wildlife in violation of any department rule by killing, hunting, taking, holding, possessing, or maliciously injuring or harming wildlife that is not classified as big game, game animals, game birds, protected wildlife, or endangered wildlife.

(c) Wasting wildlife: Killing, taking, or possessing wildlife that is not classified as big game and has a value of less than two hundred fifty dollars, and allowing the wildlife to be wasted.

(d) Wild animals: Hunting for wild animals not classified as big game and, without yet possessing the wild animals, the person owns, but fails to have in the person's possession, all licenses, tags, or permits required by this title.

(e) Wild birds: Hunting for and, without yet possessing a wild bird or birds, the person:

(i) Owns, but fails to have in the person's possession, all licenses, tags, stamps, and permits required under this title; or

(ii) Violates any department rule regarding seasons, closed areas, closed times, or any other rule addressing the manner or method of hunting wild birds.

(3) Trapping, taxidermy, fur dealing, and wildlife meat cutting infractions:

(a) Recordkeeping and reporting: If a person is a taxidermist, fur dealer, or wildlife meat cutter who is processing, holding, or storing wildlife for commercial purposes, failing to:

(i) Maintain records as required by department rule; or

(ii) Report information from these records as required by department rule.

(b) Trapper's report: Failing to report trapping activity as required by department rule.

(4) <u>Limited fish seller infraction</u>: Failure of a holder of a limited fish seller endorsement to satisfy the food safety requirements to consumers under RCW 77.65.510(2).

(5)(a) Invasive species management infractions:

(i) Out-of-state certification: Entering Washington in possession of an aquatic conveyance that does not meet certificate of inspection requirements as provided under RCW 77.135.100;

(ii) Clean and drain requirements: Possessing an aquatic conveyance that does not meet clean and drain requirements under RCW 77.135.110;

(iii) Clean and drain orders: Possessing an aquatic conveyance and failing to obey a clean and drain order under RCW 77.135.110 or 77.135.120; and

(iv) Transporting aquatic plants: Transporting aquatic plants on any state or public road, including forest roads. However, this subsection does not apply to plants that are:

(A) Being transported to the department or to another destination designated by the director, in a manner designated by the department, for purposes of identifying a species or reporting the presence of a species;

(B) Legally obtained for aquarium use, wetland or lakeshore restoration, or ornamental purposes;

(C) Located within or on a commercial aquatic plant harvester that is being transported to a suitable location to remove aquatic plants;

(D) Being transported in a manner that prevents their unintentional dispersal, to a suitable location for disposal, research, or educational purposes; or

(E) Being transported in such a way as the commission may otherwise prescribe.

(b) Unless the context clearly requires otherwise, the definitions in both RCW 77.08.010 and 77.135.010 apply throughout this subsection (((4))) (5).

(((5))) (6) Other infractions:

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(a) Contests: Conducting, holding, or sponsoring a hunting contest, a fishing contest involving game fish, or a competitive field trial using live wildlife.

(b) Other rules: Violating any other department rule that is designated by rule as an infraction.

(c) Posting signs: Posting signs preventing hunting or fishing on any land not owned or leased by the person doing the posting, or without the permission of the person who owns, leases, or controls the land posted.

(d) Scientific permits: Using a scientific permit issued by the director for fish, shellfish, or wildlife, but not including big game or big game parts, and the person:

(i) Violates any terms or conditions of the scientific permit; or

(ii) Violates any department rule applicable to the issuance or use of scientific permits.

Sec. 43. RCW 77.65.580 and 2015 c 97 s 5 are each amended to read as follows:

(1) The department must issue <u>a department vessel registration number</u> <u>decal and</u> an identifying decal to all food fish guides, game fish guides, and charter boat operators licensed under RCW 77.65.010. ((The identifying decal must display the license number prominently.))

(2) Any person who acts or offers to act as a food fish guide, game fish guide, or charter boat operator must display ((the identifying)) both decals on vessels in a location easily visible to customers and adjacent vessels.

Sec. 44. RCW 77.65.590 and 2015 c 97 s 7 are each amended to read as follows:

(1) A fish guide combination license allows the holder to offer or perform the services of a food fish guide((,)) and game fish guide((, salmon charter boat operator, and nonsalmon charter boat operator)).

(2) The commission must adopt rules to create and sell a fish guide combination license. ((The commission may adopt rules to create and sell separate combination licenses, one for food fish and game fish guide activities only and another combination license for all food fish guide, game fish guide, salmon charter boat operator, and nonsalmon charter boat operator activities.)) The cost of the fish guide combination license or licenses must be below a fee equal to the total cost of the individual licenses contained within the combination.

Sec. 45. RCW 77.70.150 and 2010 c 193 s 14 are each amended to read as follows:

(1) A sea urchin dive fishery license is required to take sea urchins for commercial purposes. A sea urchin dive fishery license authorizes the use of only one diver in the water at any time during sea urchin harvest operations. If the same vessel has been designated on two sea urchin dive fishery licenses, two divers may be in the water. A natural person may not hold more than two sea urchin dive fishery licenses.

(2) Except as provided in subsection (((6))) (5) of this section, the director shall issue no new sea urchin dive fishery licenses. For licenses issued for the year 2000 and thereafter, the director shall renew existing licenses only to a natural person who held the license at the end of the previous year. If a sea urchin dive fishery license is not held by a natural person as of December 31,

1999, it is not renewable. However, if the license is not held because of revocation or suspension of licensing privileges, the director shall renew the license in the name of a natural person at the end of the revocation or suspension if the license holder applies for renewal of the license before the end of the year in which the revocation or suspension ends.

(3) Where a licensee failed to obtain the license during the previous year because of a license suspension or revocation by the director or the court, the licensee may qualify for a license by establishing that the person held such a license during the last year in which the person was eligible.

(4) ((Surcharges as provided for in this section shall be collected and deposited into the sea urchin dive fishery account hereby created in the custody of the state treasurer. The collections and deposits must continue, as set forth in (a) and (b) of this subsection, through license year 2013, or until the number of licenses is reduced to twenty, whichever occurs first. Only the director or the director's designee may authorize expenditures from the account. The sea urchin dive fishery account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. Expenditures from the account shall only be used to retire sea urchin licenses until the number of licenses is reduced to twenty, and thereafter shall only be used for sea urchin management and enforcement. The director or the director's designee shall notify the department of revenue within thirty days when the number of licenses is reduced to twenty.

(a) A surcharge of one hundred dollars shall be charged with each sea urchin dive fishery license renewal for licenses issued for license years 2000 through 2013, or until the number of licenses is reduced to twenty, whichever occurs first.

(b) For licenses issued for license years 2000 through 2013, or until the number of licenses is reduced to twenty, whichever occurs first, a surcharge shall be charged on the sea urchin dive fishery license for designating an alternate operator. The surcharge shall be as follows: Five hundred dollars for the first year or each of the first two consecutive years after 1999 that any alternate operator is designated and two thousand five hundred dollars each year thereafter that any alternate operator is designated.

(5))) Sea urchin dive fishery licenses are transferable <u>subject to the fees and</u> restrictions in RCW 77.65.020(2). ((For licenses issued for license years 2000 through 2013, or whenever the number of licenses is reduced to twenty, whichever occurs first, there is a surcharge to transfer a sea urchin dive fishery license. The surcharge is five hundred dollars for the first transfer of a license valid for license year 2000, and two thousand five hundred dollars for any subsequent transfer, occurring in the license years 2000 through 2013, or whenever the number of licenses is reduced to twenty, whichever occurs first. Notwithstanding this subsection, a one-time transfer exempt from surcharge applies for a transfer from the natural person licensed on January 1, 2000, to that person's spouse or child.

(6))) (5) If fewer than twenty natural persons are eligible for sea urchin dive fishery licenses, the director may accept applications for new licenses. The additional licenses may not cause more than twenty natural persons to be eligible for a sea urchin dive fishery license. New licenses issued under this section shall

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be distributed according to rules of the department that recover the value of such licensed privilege.

Sec. 46. RCW 77.70.190 and 2011 c 339 s 33 are each amended to read as follows:

(1) A sea cucumber dive fishery license is required to take sea cucumbers for commercial purposes. A sea cucumber dive fishery license authorizes the use of only one diver in the water at any time during sea cucumber harvest operations. If the same vessel has been designated on two sea cucumber dive fishery licenses, two divers may be in the water. A natural person may not hold more than two sea cucumber dive fishery licenses.

(2) Except as provided in subsection (((6))) (5) of this section, the director shall issue no new sea cucumber dive fishery licenses. For licenses issued for the year 2000 and thereafter, the director shall renew existing licenses only to a natural person who held the license at the end of the previous year. If a sea cucumber dive fishery license is not held by a natural person as of December 31, 1999, it is not renewable. However, if the license is not held because of revocation or suspension of licensing privileges, the director shall renew the license in the name of a natural person at the end of the revocation or suspension if the license before the end of the year in which the revocation or suspension ends.

(3) Where a licensee failed to obtain the license during either of the previous two years because of a license suspension by the director or the court, the licensee may qualify for a license by establishing that the person held such a license during the last year in which the person was eligible.

(4) ((Surcharges as provided for in this section shall be collected and deposited into the sea cucumber dive fishery account hereby created in the eustody of the state treasurer. The collections and deposits must continue, as set forth in (a) and (b) of this subsection, through license year 2013, or until the number of licenses is reduced to twenty, whichever occurs first. Only the director or the director's designee may authorize expenditures from the account. The sea cucumber dive fishery account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. Expenditures from the account shall only be used to retire sea cucumber licenses until the number of licenses is reduced to twenty, and thereafter shall only be used for sea cucumber management and enforcement. The director or the director's designee shall notify the department of revenue within thirty days when the number of licenses is reduced to twenty.

(a) A surcharge of one hundred dollars shall be charged with each sea eucumber dive fishery license renewal for licenses issued in 2000 through 2013, or until the number of licenses is reduced to twenty, whichever occurs first.

(b) For licenses issued for license years 2000 through 2013, or until the number of licenses is reduced to twenty, whichever occurs first, a surcharge shall be charged on the sea cucumber dive fishery license for designating an alternate operator. The surcharge shall be as follows: Five hundred dollars for the first year or each of the first two consecutive years after 1999 that any alternate operator is designated and two thousand five hundred dollars each year thereafter that any alternate operator is designated.

(5))) Sea cucumber dive fishery licenses are transferable <u>subject to the fees</u> and restrictions in RCW 77.65.020(2). ((For licenses issued for license years 2000 through 2013, or whenever the number of licenses is reduced to twenty, whichever occurs first, there is a surcharge to transfer a sea eucumber dive fishery license. The surcharge is five hundred dollars for the first transfer of a license valid for license year 2000 and two thousand five hundred dollars for any subsequent transfer, occurring in the license years 2000 through 2013, or whenever the number of licenses is reduced to twenty, whichever occurs first. The application fee to transfer a sea eucumber dive fishery license is one hundred five dollars. Notwithstanding this subsection, a one-time transfer exempt from surcharge applies for a transfer from the natural person licensed on January 1, 2000, to that person's spouse or child.

(6))) (5) If fewer than twenty persons are eligible for sea cucumber dive fishery licenses, the director may accept applications for new licenses. The additional licenses may not cause more than twenty natural persons to be eligible for a sea cucumber dive fishery license. New licenses issued under this section shall be distributed according to rules of the department that recover the value of such licensed privilege.

Sec. 47. RCW 77.70.220 and 2011 c 339 s 34 are each amended to read as follows:

(1) A person shall not harvest geoduck clams commercially without a geoduck fishery license. This section does not apply to the harvest of private sector cultured aquatic products as defined in RCW 15.85.020. The geoduck fishery license fee and the application fee ((is seventy dollars)) are specified in RCW 77.65.220.

(2) Only a person who has entered into a geoduck harvesting agreement with the department of natural resources under RCW 79.135.210 may hold a geoduck fishery license.

(3) A geoduck fishery license authorizes no taking of geoducks outside the boundaries of the public lands designated in the underlying harvesting agreement, or beyond the harvest ceiling set in the underlying harvesting agreement.

(4) A geoduck fishery license expires when the underlying geoduck harvesting agreement terminates.

(5) The director shall determine the number of geoduck fishery licenses that may be issued for each geoduck harvesting agreement, the number of units of gear whose use the license authorizes, and the type of gear that may be used, subject to RCW 77.60.070. In making those determinations, the director shall seek to conserve the geoduck resource and prevent damage to its habitat.

(6) The holder of a geoduck fishery license and the holder's agents and representatives shall comply with all applicable commercial diving safety regulations adopted by the federal occupational safety and health administration established under the federal occupational safety and health act of 1970 as such law exists on May 8, 1979, 84 Stat. 1590 et seq.; 29 U.S.C. Sec. 651 et seq. A violation of those regulations is a violation of this subsection. For the purposes of this section, persons who dive for geoducks are "employees" as defined by the federal occupational safety and health act. A violation of this subsection is grounds for suspension or revocation of a geoduck fishery license following a hearing under the procedures of chapter 34.05 RCW. The director shall not suspend or revoke a geoduck fishery license if the violation has been corrected within ten days of the date the license holder receives written notice of the

violation. If there is a substantial probability that a violation of the commercial diving standards could result in death or serious physical harm to a person engaged in harvesting geoduck clams, the director shall suspend the license immediately until the violation has been corrected. If the license holder is not the operator of the harvest vessel and has contracted with another person for the harvesting of geoducks, the director shall not suspend or revoke the license if the license holder terminates its business relationship with that person until compliance with this subsection is secured.

(7) A person using a vessel in the geoduck fishery is required to apply for and obtain a vessel identification number from the department. The application fee for the vessel identification number is one hundred five dollars.

Sec. 48. RCW 77.70.280 and 2003 c 174 s 5 are each amended to read as follows:

(1) A person shall not commercially fish for coastal crab in Washington state waters without a Dungeness crab—coastal ((or a Dungeness crab—coastal elass B)) fishery license. Gear used must consist of one buoy attached to each crab pot. Each crab pot must be fished individually.

(2) A Dungeness crab—coastal fishery license is transferable. Except as provided in subsections (3) and (( $(\frac{8}{2})$ )) (7) of this section, such a license shall only be issued to a person who proved active historical participation in the coastal crab fishery by having designated, after December 31, 1993, a vessel or a replacement vessel on the qualifying license that singly or in combination meets the following criteria:

(a) Made a minimum of eight coastal crab landings totaling a minimum of five thousand pounds per season in at least two of the four qualifying seasons identified in subsection ((( $\frac{5}{1}$ ))) ( $\frac{4}{1}$ ) of this section, as documented by valid Washington state shellfish receiving tickets; and showed historical and continuous participation in the coastal crab fishery by having held one of the following licenses or their equivalents each calendar year beginning 1990 through 1993, and was designated on the qualifying license of the person who held one of the following licenses in 1994:

(i) Crab pot—Non-Puget Sound license, issued under RCW 77.65.220(1)(b);

(ii) Nonsalmon delivery license, issued under RCW 77.65.210;

(iii) Salmon troll license, issued under RCW 77.65.160;

(iv) Salmon delivery license, issued under RCW 77.65.170;

(v) Food fish trawl license, issued under RCW 77.65.200; or

(vi) Shrimp trawl license, issued under RCW 77.65.220; or

(b) Made a minimum of four Washington landings of coastal crab totaling two thousand pounds during the period from December 1, 1991, to March 20, 1992, and made a minimum of eight crab landings totaling a minimum of five thousand pounds of coastal crab during each of the following periods: December 1, 1991, to September 15, 1992; December 1, 1992, to September 15, 1993; and December 1, 1993, to September 15, 1994. For landings made after December 31, 1993, the vessel shall have been designated on the qualifying license of the person making the landings; or

(c) Made any number of coastal crab landings totaling a minimum of twenty thousand pounds per season in at least two of the four qualifying seasons identified in subsection (((5))) (4) of this section, as documented by valid

Washington state shellfish receiving tickets, showed historical and continuous participation in the coastal crab fishery by having held one of the qualifying licenses each calendar year beginning 1990 through 1993, and the vessel was designated on the qualifying license of the person who held that license in 1994.

(3) A Dungeness crab-coastal fishery license shall be issued to a person who had a new vessel under construction between December 1, 1988, and September 15, 1992, if the vessel made coastal crab landings totaling a minimum of five thousand pounds by September 15, 1993, and the new vessel was designated on the qualifying license of the person who held that license in 1994. All landings shall be documented by valid Washington state shellfish receiving tickets. License applications under this subsection may be subject to review by the advisory review board in accordance with RCW 77.70.030. For purposes of this subsection, "under construction" means either:

(a)(i) A contract for any part of the work was signed before September 15, 1992; and

(ii) The contract for the vessel under construction was not transferred or otherwise alienated from the contract holder between the date of the contract and the issuance of the Dungeness crab-coastal fishery license; and

(iii) Construction had not been completed before December 1, 1988; or

(b)(i) The keel was laid before September 15, 1992; and

(ii) Vessel ownership was not transferred or otherwise alienated from the owner between the time the keel was laid and the issuance of the Dungeness crab-coastal fishery license; and

(iii) Construction had not been completed before December 1, 1988.

(4) ((A Dungeness crab coastal class B fishery license is not transferable. Such a license shall be issued to persons who do not meet the qualification criteria for a Dungeness crab coastal fishery license, if the person has designated on a qualifying license after December 31, 1993, a vessel or replacement vessel that, singly or in combination, made a minimum of four landings totaling a minimum of two thousand pounds of coastal crab, documented by valid Washington state shellfish receiving tickets, during at least one of the four qualifying seasons, and if the person has participated continuously in the coastal crab fishery by having held or by having owned a vessel that held one or more of the licenses listed in subsection (2) of this section in each calendar year subsequent to the qualifying season in which qualifying landings were made through 1994. Dungeness crab coastal class B fishery licenses cease to exist after December 31, 1999, and the continuing license provisions of RCW 34.05.422(3) are not applicable.

(5))) The four qualifying seasons for purposes of this section are:

(a) December 1, 1988, through September 15, 1989;

(b) December 1, 1989, through September 15, 1990;

(c) December 1, 1990, through September 15, 1991; and

(d) December 1, 1991, through September 15, 1992.

(((6))) (5) For purposes of this section and RCW 77.70.340, "coastal crab" means Dungeness crab (cancer magister) taken in all Washington territorial and offshore waters south of the United States-Canada boundary and west of the Bonilla-Tatoosh line (a line from the western end of Cape Flattery to Tatoosh Island lighthouse, then to the buoy adjacent to Duntz Rock, then in a straight line

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to Bonilla Point of Vancouver island), Grays Harbor, Willapa Bay, and the Columbia river.

 $(((\frac{7})))$  (6) For purposes of this section, "replacement vessel" means a vessel used in the coastal crab fishery in 1994, and that replaces a vessel used in the coastal crab fishery during any period from 1988 through 1993, and which vessel's licensing and catch history, together with the licensing and catch history of the vessel it replaces, qualifies a single applicant for a Dungeness crab—coastal ((or Dungeness crab—coastal class B fishery)) license. A Dungeness crab—coastal ((or Dungeness crab—coastal class B fishery)) license may only be issued to a person who designated a vessel in the 1994 coastal crab fishery and who designated the same vessel in 1995.

(((8))) (7) A Dungeness crab—coastal fishery license may not be issued to a person who participates in the federal fleet reduction program created in RCW 77.70.460 within ten years of that person's participation in the federal program, if reciprocal restrictions are imposed by the states of Oregon and California on persons participating in the federal fleet reduction program.

Sec. 49. RCW 77.70.290 and 1997 c 418 s 2 are each amended to read as follows:

(1) The director shall allow the landing into Washington state of crab taken in offshore waters only if:

(a) The crab are legally caught and landed by fishers with a valid Washington state Dungeness crab-coastal fishery license ((or a valid Dungeness crab-coastal class B fishery license)); or

(b)(i) The director determines that the landing of offshore Dungeness crab by fishers without a Washington state Dungeness crab-coastal fishery license ((or a valid Dungeness crab-coastal class B fishery license)) is in the best interest of the coastal crab processing industry; (ii) the director has been requested to allow such landings by at least three Dungeness crab processors; (iii) the landings are permitted only between the dates of December 1st to February 15th inclusively; (iv) only crab fishers commercially licensed to fish by Oregon or California are permitted to land, if the crab was taken with gear that consisted of one buoy attached to each crab pot, and each crab pot was fished individually; (v) the fisher landing the crab has obtained a valid delivery license; and (vi) the decision is made on a case-by-case basis for the sole reason of improving the economic stability of the commercial crab fishery.

(2) Nothing in this section allows the commercial fishing of Dungeness crab in waters within three miles of Washington state by fishers who do not possess a valid Dungeness crab-coastal fishery license ((or a valid Dungeness crab-coastal elass B fishery license)). Landings of offshore Dungeness crab by fishers without a valid Dungeness crab-coastal fishery license ((or a valid Dungeness crab-coastal fishery license)) do not qualify the fisher for such licenses.

Sec. 50. RCW 77.70.300 and 2000 c 107 s 77 are each amended to read as follows:

A person commercially fishing for Dungeness crab in offshore waters outside of Washington state jurisdiction shall obtain a Dungeness crab offshore delivery license from the director if the person does not possess a valid Dungeness crab-coastal fishery license ((or a valid Dungeness crab-coastal class B fishery license)) and the person wishes to land Dungeness crab into a place or offshore Dungeness crab in Washington state as authorized in RCW 77.70.290.

Fees from the offshore Dungeness crab delivery license shall be placed in the coastal crab account created in RCW 77.70.320.

Sec. 51. RCW 77.70.430 and 2006 c 143 s 1 are each amended to read as follows:

(1) In order to administer a Puget Sound crab pot buoy tag program, the department may charge a fee to holders of a Dungeness crab—Puget Sound fishery license to reimburse the department for the production of Puget Sound crab pot buoy tags and the administration of a Puget Sound crab pot buoy tag program.

(2) In order to administer a Washington coastal Dungeness crab pot buoy tag program, the department may charge a fee to holders of a Dungeness crab—coastal ((or a Dungeness erab coastal class B)) fishery license and to holders of out-of-state licenses who are issued a pot certificate by the department to reimburse the department for the production of Washington coastal crab pot buoy tags and the administration of a Washington coastal crab pot buoy tag program.

(3) The department shall annually review the costs of crab pot buoy tag production under this section with the goal of minimizing the per tag production costs. Any savings in production costs shall be passed on to the fishers required to purchase crab pot buoy tags under this section in the form of a lower tag fee.

Sec. 52. RCW 77.70.490 and 2011 c 339 s 36 are each amended to read as follows:

(1) A Washington Pacific sardine purse seine fishery license:

(a) May only be issued to a person that held a coastal pilchard experimental fishery permit in 2008, except as otherwise provided in this section;

(b) Must be renewed annually to remain active; and

(c) Subject to the restrictions of subsections (6) and (7) of this section and RCW 77.65.040, is transferable.

(2) A Washington Pacific sardine purse seine fishery license may be issued to any person that held a coastal pilchard experimental fishery permit in 2005, 2006, or 2007 and is precluded from qualifying under subsection (1) of this section because the vessel designated on the permit sank prior to 2008.

(3) Beginning in 2010, after taking into consideration the status of the Pacific sardine population, the impact of removal of sardines and other forage fish to the marine ecosystem, including the effect on endangered marine species, and the market for Pacific sardines in the state, the director may issue:

(a) A Washington Pacific sardine purse seine fishery license to any person provided that the issuance would not raise the number of licenses beyond the number initially issued in 2009;

(b) A Washington Pacific sardine purse seine temporary annual fishery permit to any person if the combined number of active Washington Pacific sardine purse seine fishery licenses and annual temporary permits already issued during the year is less than twenty-five.

(4) The annual fee for a Washington Pacific sardine purse seine fishery license ((is one hundred eighty-five dollars for residents and two hundred ninety-

five dollars for nonresidents.)) and the application fee ((is one hundred five dollars)) are specified in RCW 77.65.200.

(5) The fee for a Washington Pacific sardine purse seine temporary annual fishery permit ((is one hundred eighty-five dollars for residents and two hundred ninety-five dollars for nonresidents.)) and the application fee ((is one hundred five dollars)) are specified in RCW 77.65.200. A temporary annual fishery permit expires at the end of the calendar year in which the permit is issued.

(6) Only a person who owns or operates the vessel designated on the license or permit may hold a Washington Pacific sardine purse seine fishery license or temporary annual fishery permit.

(7) A person may not own or hold an ownership interest in more than two Washington Pacific sardine purse seine fishery licenses.

(8) The director shall adopt rules that require a person fishing under a Washington Pacific sardine purse seine fishery license or a temporary annual permit to minimize bycatch, and to the extent bycatch cannot be avoided, to minimize the mortality of such bycatch.

Sec. 53. RCW 82.27.020 and 2010 c 193 s 16 are each amended to read as follows:

(1) In addition to all other taxes, licenses, or fees provided by law there is established an excise tax on the commercial possession of enhanced food fish as provided in this chapter. The tax is levied upon and shall be collected from the owner of the enhanced food fish whose possession constitutes the taxable event. The taxable event is the first possession in Washington by an owner after the enhanced food fish has been landed. Processing and handling of enhanced food fish by a person who is not the owner is not a taxable event to the processor or handler.

(2) A person in possession of enhanced food fish and liable to this tax may deduct from the price paid to the person from which the enhanced food fish (except oysters) are purchased an amount equal to a tax at one-half the rate levied in this section upon these products.

(3) The measure of the tax is the value of the enhanced food fish at the point of landing.

(4) The tax shall be equal to the measure of the tax multiplied by the rates for enhanced food fish as follows:

(a) <u>Puget Sound</u> Chinook, coho, and chum salmon and anadromous game fish: Five and twenty-five one-hundredths percent;

(b) Ocean waters, Columbia river, Willapa Bay, and Grays Harbor Chinook, coho, and chum salmon and anadromous game fish: Six and twenty-five one-hundredths percent:

(c) Pink and sockeye salmon: Three and fifteen one-hundredths percent;

(((c))) (d) Other food fish and shellfish, except oysters, sea urchins, and sea cucumbers: Two and one-tenth percent;

(((<del>(d)</del>))) (e) Oysters: Eight one-hundredths of one percent;

(((e))) (f) Sea urchins: ((Four and six-tenths percent through December 31, 2013, or until the department of fish and wildlife notifies the department that the number of sea urchin licenses has been reduced to twenty licenses, whichever occurs first, and)) Two and one-tenth percent ((thereafter)); and

(((f))) (g) Sea cucumbers: ((Four and six-tenths percent through December 31, 2013, or until the department of fish and wildlife notifies the department that

the number of sea cucumber licenses has been reduced to twenty licenses, whichever occurs first, and)) <u>T</u>wo and one-tenth percent ((thereafter)).

(5) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (4) of this section.

Sec. 54. RCW 82.27.070 and 2010 c 193 s 17 are each amended to read as follows:

All taxes collected by the department of revenue under this chapter shall be deposited in the state general fund except for the ((excise tax on anadromous game fish, which shall be deposited in the state wildlife account. From January 1, 2000, to December 31, 2013, or until the department of fish and wildlife notifies the department that the license reduction goals of the sea urchin or sea eucumber fishery have been met, whichever occurs first, twenty-five forty-sixths of the revenues derived from the excise tax on sea urchins collected under RCW 82.27.020 shall be deposited into the sea urchin dive fishery account created in RCW 77.70.150, and twenty-five forty-sixths of the revenues derived from the excise tax on sea under RCW 82.27.020 shall be deposited into the sea urchin dive fishery account created in RCW 77.70.150, and twenty-five forty-sixths of the revenues derived from the excise tax on sea under RCW 82.27.020 shall be deposited into the sea under RCW 82.27.020 shall be deposited into the sea urchin dive fishery account created in RCW 77.70.190)) following:

(1) The excise tax on anadromous game fish is deposited in the state wildlife account.

(2) The excise tax on ocean waters, Columbia river, Willapa Bay, and Grays Harbor chinook, coho, and chum salmon is deposited as follows:

(a) The equivalent of five and twenty-five one-hundredths percent shall be deposited in the state general fund.

(b) The equivalent of one percent shall be deposited in the state wildlife account.

Sec. 55. RCW 69.07.100 and 2011 c 281 s 13 are each amended to read as follows:

(1) The provisions of this chapter shall not apply to establishments issued a permit or licensed under the provisions of:

(a) Chapter 69.25 RCW, the Washington wholesome eggs and egg products act;

(b) Chapter 69.28 RCW, the Washington state honey act;

(c) Chapter 16.49 RCW, the meat inspection act;

(d) Chapter 77.65 RCW, relating to the ((direct retail)) limited fish seller endorsement for wild-caught seafood;

(e) Chapter 69.22 RCW, relating to cottage food operations;

(f) Title 66 RCW, relating to alcoholic beverage control; and

(g) Chapter 69.30 RCW, the sanitary control of shellfish act.

(2) If any such establishments process foods not specifically provided for in the above entitled acts, the establishments are subject to the provisions of this chapter.

(3) The provisions of this chapter do not apply to restaurants or food service establishments.

Sec. 56. RCW 36.71.090 and 2003 c 387 s 5 are each amended to read as follows:

(((1))) It shall be lawful for any farmer, gardener, or other person, without license, to sell, deliver, or peddle any fruits, vegetables, berries, eggs, or any

farm produce or edibles raised, gathered, produced, or manufactured by such person and no city or town shall pass or enforce any ordinance prohibiting the sale by or requiring license from the producers and manufacturers of farm produce and edibles as defined in this section. However, nothing in this section authorizes any person to sell, deliver, or peddle, without license, in any city or town, any dairy product, meat, poultry, eel, fish, mollusk, or shellfish where a license is required to engage legally in such activity in such city or town.

(((2) It is lawful for an individual in possession of a valid direct retail endorsement, as established in RCW 77.65.510, to sell, deliver, or peddle any legally harvested retail eligible species, as that term is defined in RCW 77.08.010, that is caught, harvested, or collected under rule of the department of fish and wildlife by such a person at a temporary food service establishment, as that term is defined in RCW 69.06.045, and no city, town, or county may pass or enforce an ordinance prohibiting the sale by or requiring additional licenses or permits from the holder of the valid direct retail endorsement. However, this subsection does not prohibit a city, town, or county from inspecting an individual displaying a direct retail endorsement to verify that the person is in compliance with state board of health and local rules for food service operations.))

<u>NEW SECTION.</u> Sec. 57. The code reviser's office is directed to move the definitions of "to fish," "to hunt," "to process," "to take," "to trap," and "to waste" or "to be wasted," by reordering them within RCW 77.08.010 in alphabetical order by the spelling of the main verb word.

<u>NEW SECTION.</u> Sec. 58. The following acts or parts of acts are each repealed:

(1) RCW 77.65.290 (Wholesale fish dealer licenses—Display) and 1993 c 340 s 52, 1983 1st ex.s. c 46 s 110, & 1955 c 12 s 75.28.070;

(2) RCW 77.65.300 (Wholesale fish dealer may be a fish buyer) and 1985 c 248 s 3;

(3) RCW 77.65.360 (License fee increases—Disposition) and 1989 c 316 s 20;

(4) RCW 77.65.515 (Direct retail endorsement—Requirements) and 2003 c 387 s 3 & 2002 c 301 s 3;

(5) RCW 77.65.520 (Direct retail endorsement—Compliance— Violations—Suspension) and 2003 c 387 s 4 & 2002 c 301 s 4; and

(6) RCW 77.65.900 (Effective date—1989 c 316) and 1989 c 316 s 22.

<u>NEW SECTION.</u> Sec. 59. This act takes effect January 1, 2018.

Passed by the House June 29, 2017.

Passed by the Senate June 30, 2017.

Approved by the Governor July 6, 2017.

Filed in Office of Secretary of State July 7, 2017.

#### **CHAPTER 9**

#### [Substitute House Bill 1624]

WORKING CONNECTIONS CHILD CARE--ELIGIBILITY--VULNERABLE CHILDREN

AN ACT Relating to working connections child care eligibility for vulnerable children; amending RCW 43.215.135; creating new sections; and providing an effective date.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that children with the greatest needs benefit significantly from child care programs that promote stability, quality, and continuity of care. The legislature recognizes that empirical evidence supports the conclusion that high quality child care programs consistently yield more positive outcomes for children, with the strongest positive impacts on the most vulnerable children.

Children in the child welfare system are some of the most vulnerable children. The legislature finds that a child who experiences child abuse or neglect is over four times more likely to abuse substances as an adult and fortythree percent of youth in the juvenile justice system were involved in the child welfare system.

The legislature finds that the child care and development block grant act of 2014 allows the department of early learning to provide working connections child care to children in need of, or receiving, protective services. The legislature further understands that as of July 1, 2016, authorizations for the working connections child care subsidy are effective for twelve months.

The legislature finds that the children's mental health work group, in its December 2016 final report, recommended that state agencies provide at least twelve months of stable child care through the working connections child care program for certain children involved in the child welfare system, regardless of the employment status of their parents or guardians. Many of these child welfare-involved families are addressing chemical dependency issues, which require a significant amount of time to overcome. For these reasons, the legislature intends to allow certain populations of vulnerable children to be eligible for the working connections child care subsidy for a minimum of twelve months.

Sec. 2. RCW 43.215.135 and 2015 3rd sp.s. c 7 s 6 are each amended to read as follows:

(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 defined in RCW 74.08A.410 and the standards established in this section intended to promote stability, quality, and continuity of early care and education programming.

(2) As recommended by Public Law 113-186, authorizations for the working connections child care subsidy shall be effective for twelve months beginning July 1, 2016, unless an earlier date is provided in the omnibus appropriations act.

(3) Existing child care providers serving nonschool-age children and receiving state subsidy payments must complete the following requirements to be eligible for a state subsidy under this section:

(a) Enroll in the early achievers program by August 1, 2016;

(b) Complete level 2 activities in the early achievers program by August 1, 2017; and

(c) Rate at a level 3 or higher in the early achievers program by December 31, 2019. If a child care provider rates below a level 3 by December 31, 2019, the provider must complete remedial activities with the department, and rate at a level 3 or higher no later than June 30, 2020.

(4) Effective July 1, 2016, a new child care provider serving nonschool-age children and receiving state subsidy payments must complete the following activities to be eligible to receive a state subsidy under this section:

(a) Enroll in the early achievers program within thirty days of receiving the initial state subsidy payment;

(b) Complete level 2 activities in the early achievers program within twelve months of enrollment; and

(c) Rate at a level 3 or higher in the early achievers program within thirty months of enrollment. If a child care provider rates below a level 3 within thirty months from enrollment into the early achievers program, the provider must complete remedial activities with the department, and rate at a level 3 or higher within six months of beginning remedial activities.

(5) If a child care provider does not rate at a level 3 or higher following the remedial period, the provider is no longer eligible to receive state subsidy under this section.

(6) If a child care provider serving nonschool-age children and receiving state subsidy payments has successfully completed all level 2 activities and is waiting to be rated by the deadline provided in this section, the provider may continue to receive a state subsidy pending the successful completion of the level 3 rating activity.

(7) The department shall implement tiered reimbursement for early achievers program participants in the working connections child care program rating at level 3, 4, or 5.

(8) The department shall account for a child care copayment collected by the provider from the family for each contracted slot and establish the copayment fee by rule.

(9) The department shall establish and implement policies in the working connections child care program to allow eligibility for families with children who:

(a) In the last six months have:

(i) Received child protective services as defined and used by chapters 26.44 and 74.13 RCW;

(ii) Received child welfare services as defined and used by chapter 74.13 RCW; or

(iii) Received services through a family assessment response as defined and used by chapter 26.44 RCW;

(b) Have been referred for child care as part of the family's case management as defined by RCW 74.13.020; and

(c) Are residing with a biological parent or guardian.

(10) Children who are eligible for working connections child care pursuant to subsection (9) of this section do not have to keep receiving services through the department of social and health services to maintain twelve-month authorization. The department of social and health services' involvement with the family referred for working connections child care ends when the family's child protective services, child welfare services, or family assessment response case is closed.

NEW SECTION. Sec. 3. This act takes effect December 1, 2018.

<u>NEW SECTION.</u> 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, 2017, in the omnibus appropriations act, this act is null and void.

Passed by the House June 29, 2017. Passed by the Senate June 29, 2017. Approved by the Governor July 6, 2017. Filed in Office of Secretary of State July 7, 2017.

### CHAPTER 10

[Engrossed Substitute House Bill 1677] PUBLIC WORKS ASSISTANCE ACCOUNT AND PUBLIC WORKS BOARD--VARIOUS CHANGES

AN ACT Relating to local government infrastructure funding; amending RCW 43.155.010, 43.155.020, 43.155.030, 43.155.040, 43.155.060, 43.155.065, 43.155.068, 43.155.070, 43.155.075, 82.45.060, 82.16.020, and 82.18.040; reenacting and amending RCW 43.155.050; creating new sections; and providing an expiration date.

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

Sec. 1. RCW 43.155.010 and 1996 c 168 s 1 are each amended to read as follows:

The legislature finds that there exists in the state of Washington over four billion dollars worth of critical projects for the planning, acquisition, construction, repair, replacement, rehabilitation, or improvement of streets and roads, bridges, water systems, and storm and sanitary sewage systems. The December, 1983 Washington state public works report prepared by the planning and community affairs agency documented that local governments expect to be capable of financing over two billion dollars worth of the costs of those critical projects but will not be able to fund nearly half of the documented needs.

The legislature further finds that Washington's local governments have unmet financial needs for solid waste disposal, including recycling, and encourages the board to make an equitable geographic distribution of the funds.

It is the policy of the state of Washington to encourage self-reliance by local governments in meeting their public works needs and to assist in the financing of critical public works projects by making loans, <u>grants</u>, financing guarantees, and technical assistance available to local governments for these projects.

Sec. 2. RCW 43.155.020 and 2009 c 565 s 33 are each amended to read as follows:

((Unless the context clearly requires otherwise,)) <u>The</u> definitions in this section ((shall)) apply throughout this chapter <u>unless the context clearly requires</u> <u>otherwise</u>.

(1) "Board" means the public works board created in RCW 43.155.030.

(2) "Capital facility plan" means a capital facility plan required by the growth management act under chapter 36.70A RCW or, for local governments not fully planning under the growth management act, a plan required by the public works board.

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

(4) "Financing guarantees" means the pledge of money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects.

(5) "Local governments" means cities, towns, counties, special purpose districts, and any other municipal corporations or quasi-municipal corporations in the state excluding school districts and port districts.

(6) "Public works project" means a project of a local government for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of streets and roads, bridges, water systems, or storm and sanitary sewage systems, lead remediation of drinking water systems, and solid waste facilities, including recycling facilities. A planning project may include the compilation of biological, hydrological, or other data on a county, drainage basin, or region necessary to develop a base of information for a capital facility plan.

(7) "Solid waste or recycling project" means remedial actions necessary to bring abandoned or closed landfills into compliance with regulatory requirements and the repair, restoration, and replacement of existing solid waste transfer, recycling facilities, and landfill projects limited to the opening of landfill cells that are in existing and permitted landfills.

(8) "Technical assistance" means training and other services provided to local governments to: (a) Help such local governments plan, apply, and qualify for loans<u>grants</u>, and financing guarantees from the board, and (b) help local governments improve their ability to plan for, finance, acquire, construct, repair, replace, rehabilitate, and maintain public facilities.

(9) "Value planning" means a uniform approach to assist in decision making through systematic evaluation of potential alternatives to solving an identified problem.

**Sec. 3.* RCW 43.155.030 and 1999 c 153 s 58 are each amended to read as follows:

(1) The public works board is hereby created.

(2) The board shall be composed of <u>seventeen members as provided in this</u> <u>subsection:</u>

(a) Thirteen members appointed by the governor for terms of four years, except that five members initially shall be appointed for terms of two years. ((The board)) These members shall include: (((a) Three)) (i) Two members, ((two)) one of whom shall be an elected official((s)) and one shall be a public works manager or a finance director, appointed from a list of at least six persons nominated by ((the)) a state association of ((Washington)) cities or its successor; (((b) three)) (ii) two members, ((two)) one of whom shall be an elected official((s)) and one shall be a public works manager or a finance director, appointed from a list of at least six persons nominated by ((the Washington)) a state association of counties or its successor; (((c) three)) (iii) one member((s)) appointed from a list of at least ((six)) three persons nominated ((jointly)) by ((the Washington)) a state association of public utility districts ((association and)) or its successor; (iv) one member appointed from a list of at least three persons nominated by a state association of water-sewer districts((s)) or ((their)) its successor((s)); and (((d) four))) (v) seven members appointed from the general public <u>with expertise in relevant fields</u>. In appointing the ((four)) <u>seven</u> general public members, the governor shall ((<del>endeavor to</del>)) balance the geographical composition of the board and ((to)) include members with special expertise in relevant fields such as public finance, architecture and civil engineering, and public works construction. The governor shall appoint one of the general public members of the board as chair. The term of the chair shall coincide with the term of the governor.

(b) Four members from the legislature appointed for terms of four years. The speaker of the house of representatives shall appoint one member from each of the two major caucuses of the house of representatives and the president of the senate shall appoint one member from each of the two major caucuses of the senate. Additionally, the speaker of the house of representatives may designate one member from each of the two major caucuses of the house of representatives and the president of the senate may appoint one member from each of the two major caucuses of the house of the two major caucuses of the senate as alternate members to take the place of the appointed member on the board for meetings at which the member will be absent. The alternate member shall have all powers to vote and participate in board deliberations as the other board members.

(3) Staff support to the board shall be provided by the department.

(4) <u>Nonlegislative members of the board shall receive no compensation</u> but shall be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060. <u>Legislative members of the board shall be reimbursed for travel in</u> <u>accordance with RCW 44.04.120.</u>

(5) If a vacancy on the board occurs by death, resignation, or otherwise, the governor shall fill the vacant position for the unexpired term. Each vacancy in a position appointed from lists provided by the associations under subsection (2) of this section shall be filled from a list of at least three persons nominated by the relevant association or associations. Any members of the board, appointive or otherwise, may be removed by the governor for cause in accordance with RCW 43.06.070 and 43.06.080.

*Sec. 3 was vetoed. See message at end of chapter.

Sec. 4. RCW 43.155.040 and 1985 c 446 s 10 are each amended to read as follows:

The board may:

(1) Accept from any state or federal agency, loans or grants for the planning or financing of any public works project and enter into agreements with any such agency concerning the loans or grants;

(2) Provide technical assistance to local governments;

(3) Accept any gifts, grants, or loans of funds, property, or financial or other aid in any form from any other source on any terms and conditions which are not in conflict with this chapter;

(4) <u>Develop a program that provides grants and additional assistance to</u> <u>leverage federal programs, and other opportunities to target deeper financial</u> <u>assistance to communities with economic distress or projects that would result in</u> <u>rate increases to residential utility rates that exceed a determined percentage of</u> <u>median household income;</u>

(5) Adopt rules under chapter 34.05 RCW as necessary to carry out the purposes of this chapter;

 $((\frac{(5)}{2}))$  (6) Do all acts and things necessary or convenient to carry out the powers expressly granted or implied under this chapter.

**Sec. 5.** RCW 43.155.050 and 2015 3rd sp.s. c 4 s 959 and 2015 3rd sp.s. c 3 s 7032 are each reenacted and amended to read as follows:

The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and 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 account and the drinking water assistance account to provide for state match requirements under federal law ((for projects and activities conducted and financed by the board under the drinking water assistance account)). Not more than ((fifteen)) 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((; of this amount, not more than ten percent of the biennial capital budget appropriation may be expended for emergency loans and not more than one percent of the biennial capital budget appropriation may be expended for capital facility planning loans)). 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 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the general fund, the water pollution control revolving account, and the drinking water assistance account such amounts as reflect the excess fund balance of the account. ((During the 2013-2015 fiscal biennium, the legislature may transfer from the public works assistance account to the education legacy trust account such amounts as specified by the legislature.)) During the 2015-2017 fiscal biennium, the legislature may appropriate moneys from the account for activities related to the growth management act and the voluntary stewardship program. During the 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the state general fund such amounts as specified by the legislature. ((In the 2017-2019 fiscal biennium the legislature intends to allocate seventy-three million dollars of future loan repayments paid into the public works assistance account to support basic education.))

Sec. 6. RCW 43.155.060 and 1988 c 93 s 2 are each amended to read as follows:

(1) In order to aid the financing of public works projects, the board may:

(((1))) (a) Make ((low-interest or interest free)) loans or grants to local governments from the public works assistance account or other funds and accounts for the purpose of assisting local governments in financing public works projects. ((The board may require such terms and conditions and may charge such rates of interest on its loans as it deems necessary or convenient to earry out the purposes of this chapter.)) Money received from local governments in repayment of loans made under this section shall be paid into the public works assistance account for uses consistent with this chapter.

(((2))) (b) Pledge money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects. The board shall not pledge any amount greater than the sum of money in the public works assistance account plus money to be received from the payment of the debt service on loans made from that account, nor shall the board pledge the faith and credit or the taxing power of the state or any agency or subdivision thereof to the repayment of obligations issued by any local government.

(((3))) (c) Create such subaccounts in the public works assistance account as the board deems necessary to carry out the purposes of this chapter.

(((4))) (d) Provide a method for the allocation of loans, grants, and financing guarantees and the provision of technical assistance under this chapter.

(2) When establishing interest rates for loan programs authorized in this chapter for projects which are supported by a rate base of at least fifty thousand equivalent residential units, the board must base interest rates on the average daily market interest rate for tax-exempt municipal bonds as published in the bond buyer's index for the period from sixty to thirty days before the start of the application cycle.

(a) For projects with a repayment period between five and twenty years, the rate must be fifty percent of the market rate.

(b) For projects with a repayment period under five years, the rate must be twenty-five percent of the market rate.

(c) For any year in which the average daily market interest rate for taxexempt municipal bonds for the period from sixty to thirty days before the start of an application cycle is nine percent or greater, the board may cap interest rates at four percent for projects with a repayment period between five and twenty years and at two percent for projects with a repayment period under five years.

(d) The board may also provide reduced interest rates, extended repayment periods, or grants for projects that meet financial hardship criteria as measured by the affordability index or similar standard measure of financial hardship. The board may provide reduced interest rates, extended repayment periods, or grants for projects that are supported by a rate base of less than fifty thousand equivalent residential units.

(3) All local public works projects aided in whole or in part under the provisions of this chapter shall be put out for competitive bids, except for emergency public works under RCW 43.155.065 for which the recipient jurisdiction shall comply with this requirement to the extent feasible and practicable. The competitive bids called for shall be administered in the same manner as all other public works projects put out for competitive bidding by the local governmental entity aided under this chapter.

Sec. 7. RCW 43.155.065 and 2001 c 131 s 3 are each amended to read as follows:

The board may make low-interest or interest-free loans <u>or grants</u> to local governments for emergency public works projects. Emergency public works projects shall include the construction, repair, reconstruction, replacement, rehabilitation, or improvement of a public water system that is in violation of health and safety standards and is being operated by a local government on a temporary basis. The loans <u>or grants</u> may be used to help fund all or part of an

emergency public works project less any reimbursement from any of the following sources: (1) Federal disaster or emergency funds, including funds from the federal emergency management agency; (2) state disaster or emergency funds; (3) insurance settlements; or (4) litigation.

Sec. 8. RCW 43.155.068 and 2001 c 131 s 4 are each amended to read as follows:

(1) The board may make ((<del>low-interest or interest-free</del>)) loans <u>or grants</u> to local governments for preconstruction activities on public works projects before the legislature approves the construction phase of the project. Preconstruction activities include design, engineering, bid-document preparation, environmental studies, right-of-way acquisition, <u>value planning</u>, and other preliminary phases of public works projects as determined by the board. The purpose of the loans <u>and grants</u> authorized in this section is to accelerate the completion of public works projects by allowing preconstruction activities to be performed before the ((<del>approval of</del>)) <u>appropriation for</u> the construction phase of the project by the legislature.

(2) Projects receiving loans <u>or grants</u> for preconstruction activities under this section must be evaluated using the priority process and factors in RCW 43.155.070(((2))). The receipt of a loan <u>or grant</u> for preconstruction activities does not ensure the receipt of a construction loan <u>or grant</u> for the project under this chapter. Construction loans <u>or grants</u> for projects receiving a loan <u>or grant</u> for preconstruction activities under this section are subject to legislative ((<del>approval</del>)) <u>appropriation</u> under RCW 43.155.070 ((((4) and (5))) (7). The board shall adopt a single application process for local governments seeking both a loan <u>or grant</u> for preconstruction activities under this section and a construction loan for the project.

Sec. 9. RCW 43.155.070 and 2015 3rd sp.s. c 3 s 7033 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, 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 accounty, 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) ((The board must develop a priority process for public works projects as provided in this section. The intent of the priority process is to maximize the value of public works projects accomplished with assistance under this chapter. The board must attempt to assure a geographical balance in assigning priorities to projects. The board must consider at least the following factors in assigning a priority to a project:

(a) Whether the local government receiving assistance has experienced severe fiscal distress resulting from natural disaster or emergency public works needs;

(b) Except as otherwise conditioned by RCW 43.155.110, whether the entity receiving assistance is a Puget Sound partner, as defined in RCW 90.71.010;

(c) Whether the project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310;

(d) Whether the project is critical in nature and would affect the health and safety of a great number of citizens;

(c) Whether the applicant's permitting process has been certified as streamlined by the office of regulatory assistance;

(f) Whether the applicant has developed and adhered to guidelines regarding its permitting process for those applying for development permits consistent with section 1(2), chapter 231, Laws of 2007;

(g) The cost of the project compared to the size of the local government and amount of loan money available;

(h) The number of communities served by or funding the project;

(i) Whether the project is located in an area of high unemployment, compared to the average state unemployment;

(j) Whether the project is the acquisition, expansion, improvement, or renovation by a local government of a public water system that is in violation of health and safety standards, including the cost of extending existing service to such a system;

(k) Except as otherwise conditioned by RCW 43.155.120, and effective one calendar year following the development of model evergreen community management plans and ordinances under RCW 35.105.050, whether the entity receiving assistance has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030;

(1) The relative benefit of the project to the community, considering the present level of economic activity in the community and the existing local eapacity to increase local economic activity in communities that have low economic growth; and

(m) Other criteria that the board considers advisable.

(5) For the 2015-2017 fiscal biennium, in place of the criteria, ranking, and submission processes for construction loan lists provided in subsections (4) and (7) of this section:))

(a) The board must develop a process ((for numerically ranking)) to prioritize applications ((for construction)) 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 ((assigning a numerical ranking to a)) 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 ((nonstate)) 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((<del>, public transit,</del>)) and transportation; <u>and</u>

(G) ((Avoidance of additional costs to state and local governments that adversely impact local residents and small businesses; and

(H))) Reduction of the overall cost of public infrastructure; ((and))

(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 ((November)) September 1, ((2016)) 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 ((a ranked list of qualified public works projects which have been evaluated by the board and are recommended for funding by the legislature)). 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 ((recommend)) provide for any jurisdiction is ten million dollars per biennium. ((For each project on the ranked list, as well as for eligible projects not recommended for funding, the board must document the numerical ranking that was assigned.

(6))) (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.

(((<del>7)</del>)) (<u>6</u>) Before ((November)) <u>September</u> 1st of each ((even-numbered)) 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((; and subsection (10) of this section during the preceding fiscal year and a prioritized list of projects which are recommended for funding by the legislature, including one copy to the staff of each of the committees. The list must include, but not be limited to, a description of each project and recommended financing, the terms and conditions of the loan or financial guarantee, the local government jurisdiction and unemployment rate, demonstration of the jurisdiction's critical need for the project and documentation of local funds being used to finance the public works project. The list must also include measures of fiscal capacity for each jurisdiction recommended for financial assistance, compared to authorized limits and state averages, including local government sales taxes; real estate excise taxes; property taxes; and charges for or taxes on sewerage, water, garbage, and other utilities)).

 $(((\frac{8})))$  (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 ((a specific list of)) the purpose of funding public works projects under this chapter. ((The legislature may remove projects from the list recommended by the board. The legislature may not change the order of the priorities recommended for funding by the board.

(9) Subsection (8) of this section does not apply to loans made under RCW 43.155.065, 43.155.068, and subsection (10) of this section.

(10) Loans made for the purpose of capital facilities plans are exempted from subsection (8) of this section.

(11))) (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 RCW.

(((12))) (9) After January 1, 2010, any project designed to address the effects of storm water 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.

(((13) During the 2015 2017 fiscal biennium,)) (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.

(((14)(a) For public works assistance account application rounds conducted during the 2015-2017 fiscal biennium,)) (<u>11)</u> The board must implement policies and procedures designed to maximize local government ((use)) consideration of ((federal)) other funds to finance local infrastructure ((including, but not limited to, drinking water and clean water state revolving funds operated by the state departments of health and ecology. Projects that are eligible for the drinking water and clean water state revolving funds may receive public works board preconstruction loans. Projects that are eligible for the drinking water and clean water state revolving funds may receive public works board preconstruction loans. Projects that are eligible for the drinking water and clean water state revolving funds are not eligible for public works board construction loans. For purposes of this subsection "eligible for drinking water and clean water state revolving funds" means:

(i) Projects that have applied to the state revolving funds and are awaiting a funding decision;

(ii) Projects that have been rejected for funding solely due to not meeting readiness requirements; and

(iii) Projects that have not applied, but would likely be eligible if the project applied and met the project readiness requirements.

(b) For all construction loan projects proposed to the legislature for funding during the 2015-2017 fiscal biennium, the board must base interest rates on the average daily market interest rate for tax exempt municipal bonds as published in the bond buyer's index for the period from sixty to thirty days before the start of the application cycle. For projects with a repayment period between five and twenty years, the rate must be sixty percent of the market rate. For projects with a repayment period under five years, the rate must be thirty percent of the market rate. The board must also provide reduced interest rates, extended repayment periods, or forgivable principal loans for projects that meet financial hardship criteria as measured by the affordability index or similar standard measure of financial hardship)).

Sec. 10. RCW 43.155.075 and 2001 c 227 s 10 are each amended to read as follows:

In providing loans <u>and grants</u> for public works projects, the board shall require recipients to incorporate the environmental benefits of the project into their applications, and the board shall utilize the statement of environmental benefits in its prioritization and selection process, when applicable. For projects funded under this chapter, the board may require a local government to have sustainable asset management best practices in place; provide a long-term financial plan to demonstrate a sound maintenance program; have a long-term financial plan for loan repayments in place; and undergo value planning at the predesign project stage, where the greatest productivity gains and cost savings can be found. The board shall also develop appropriate outcome-focused performance measures to be used both for management and performance assessment of the loan and grant program. To the extent possible, the department should coordinate its performance measure system with other natural resourcerelated agencies as defined in RCW 43.41.270. The board shall consult with affected interest groups in implementing this section.

<u>NEW SECTION.</u> Sec. 11. (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 storm water 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, 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) This section expires June 30, 2021.

<u>NEW SECTION.</u> Sec. 12. The public works board, in consultation with stakeholders, including the system improvement team and financing experts, must evaluate and report on other financing approaches that could be established to provide access to financing for local governments who have trouble accessing the existing private credit market at reasonable rates for infrastructure. The public works board must submit the report to the appropriate fiscal committees of the senate and house of representatives and the office of financial management by December 1, 2018.

Sec. 13. RCW 82.45.060 and 2013 2nd sp.s. c 9 s 6 are each amended to read as follows:

There is imposed an excise tax upon each sale of real property at the rate of one and twenty-eight one-hundredths percent of the selling price. Beginning July 1, 2013, and ending June 30, ((2019)) 2023, an amount equal to two percent of the proceeds of this tax must be deposited in the public works assistance account created in RCW 43.155.050, and an amount equal to four and one-tenth percent must be deposited in the education legacy trust account created in RCW 83.100.230. Thereafter, an amount equal to six and one-tenth percent of the proceeds of this tax to the state treasurer must be deposited in the public works assistance account created in RCW 43.155.050. Except as otherwise provided in this section, an amount equal to one and six-tenths percent of the proceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the roceeds of this tax to the state treasurer must be deposited in the city-county assistance account created in RCW 43.08.290.

Sec. 14. RCW 82.16.020 and 2015 3rd sp.s. c 6 s 703 are each amended to read as follows:

(1) There is levied and collected from every person a tax for the act or privilege of engaging within this state in any one or more of the businesses herein mentioned. The tax is equal to the gross income of the business, multiplied by the rate set out after the business, as follows:

(a) Express, sewerage collection, and telegraph businesses: Three and sixtenths percent;

(b) Light and power business: Three and sixty-two one-hundredths percent;

(c) Gas distribution business: Three and six-tenths percent;

(d) Urban transportation business: Six-tenths of one percent;

(e) Vessels under sixty-five feet in length, except tugboats, operating upon the waters within the state: Six-tenths of one percent;

(f) Motor transportation, railroad, railroad car, and tugboat businesses, and all public service businesses other than ones mentioned above: One and eight-tenths of one percent;

(g) Water distribution business: Four and seven-tenths percent;

(h) Log transportation business: One and twenty-eight one- hundredths percent. The reduced rate established in this subsection (1)(h) is not subject to the ten-year expiration provision in RCW 82.32.805(1)(a).

(2) An additional tax is imposed equal to the rate specified in RCW 82.02.030 multiplied by the tax payable under subsection (1) of this section.

(3) Twenty percent of the moneys collected under subsection (1) of this section on water distribution businesses and sixty percent of the moneys collected under subsection (1) of this section on sewerage collection businesses must be deposited in the education legacy trust account created in RCW 83.100.230 from July 1, 2013, through June 30, ((2019)) 2023, and thereafter in the public works assistance account created in RCW 43.155.050.

Sec. 15. RCW 82.18.040 and 2013 2nd sp.s. c 9 s 8 are each amended to read as follows:

(1) Taxes collected under this chapter must be held in trust until paid to the state. Except as otherwise provided in this subsection (1), taxes received by the state must be deposited in the public works assistance account created in RCW 43.155.050. For the period beginning July 1, 2011, and ending June 30, 2015, taxes received by the state under this chapter must be deposited in the general fund for general purpose expenditures. For fiscal years 2016, 2017, and 2018, one-half of the taxes received by the state under this chapter must be deposited in the general fund for general purpose expenditures and the remainder deposited in the education legacy trust account created in RCW 83.100.230. For fiscal vears 2019 through 2023, taxes received by the state under this chapter must be deposited in the education legacy trust account created in RCW 83.100.230. Any person collecting the tax who appropriates or converts the tax collected is guilty of a gross misdemeanor if the money required to be collected is not available for payment on the date payment is due. If a taxpayer fails to pay the tax imposed by this chapter to the person charged with collection of the tax and the person charged with collection fails to pay the tax to the department, the department may, in its discretion, proceed directly against the taxpayer for collection of the tax.

(2) The tax is due from the taxpayer within twenty-five days from the date the taxpayer is billed by the person collecting the tax.

(3) The tax is due from the person collecting the tax at the end of the tax period in which the tax is received from the taxpayer. If the taxpayer remits only a portion of the total amount billed for taxes, consideration, and related charges, the amount remitted must be applied first to payment of the solid waste collection tax and this tax has priority over all other claims to the amount remitted.

Passed by the House June 29, 2017. Passed by the Senate June 30, 2017.

# Ch. 11 WASHINGTON LAWS, 2017

Approved by the Governor July 6, 2017, with the exception of certain items that were vetoed.

### Filed in Office of Secretary of State July 7, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 3, Engrossed Substitute House Bill No. 1677 entitled:

"AN ACT Relating to local government infrastructure funding."

This bill provides targeted reforms to the Public Works Assistance Account and directs the Public Works Board (Board) to study new and innovative financing tools. This bill will help local governments in need of financial support and provide additional tools to pay for basic infrastructure needs.

I am, however, vetoing Section 3, which modifies the composition of the Board. Section 3 adds four legislators. Changes to the Board's composition should be based on a member's skill set, rather than organizational representation. I would support the addition of legislators to the Board as ex-offico and non-voting members.

For these reasons I have vetoed Section 3 of Engrossed Substitute House Bill No. 1677.

With the exception of Section 3, Engrossed Substitute House Bill No. 1677 is approved."

## **CHAPTER 11**

[House Bill 1716]

#### CONSTRUCTION REGISTRATION INSPECTION ACCOUNT -- CREATION

AN ACT Relating to creating the construction registration inspection account as a dedicated account to fund contractor registration and compliance, manufactured and mobile homes, recreational and commercial vehicles, factory built housing and commercial structures, elevators, lifting devices, and moving walks; amending RCW 70.87.210; adding a new section to chapter 18.27 RCW; adding a new section to chapter 43.22 RCW; adding a new section to chapter 51.44 RCW; providing an effective date; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 18.27 RCW to read as follows:

All moneys, except fines and penalties, received or collected under the terms of this chapter must be deposited into the construction registration inspection account. All fines and penalties received or collected under the terms of this chapter shall be deposited in the general fund.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.22 RCW to read as follows:

All moneys, except fines and penalties, received or collected under the terms of RCW 43.22.335 through 43.22.430 and 43.22.432 through 43.22.495 must be deposited into the construction registration inspection account. All fines and penalties received or collected under the terms of RCW 43.22.335 through 43.22.430 and 43.22.432 through 43.22.495 shall be deposited in the general fund.

**Sec. 3.** RCW 70.87.210 and 1963 c 26 s 21 are each amended to read as follows:

All moneys, except fines and penalties, received or collected under the terms of this chapter shall be deposited in the construction registration

inspection account. All fines and penalties received or collected under the terms of this chapter shall be deposited in the general fund.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 51.44 RCW to read as follows:

(1) The construction registration inspection account is created in the state treasury. All moneys, except fines and penalties, received or collected under the terms of chapters 18.27 and 70.87 RCW and under the terms of RCW 43.22.335 through 43.22.430 and 43.22.432 through 43.22.495 must be deposited into the account. Moneys in the account may only be spent after appropriation. Expenditures from the account, not including moneys transferred to the general fund, may be used only to carry out the purposes of chapters 18.27 and 70.87 RCW and RCW 43.22.335 through 43.22.430 and 43.22.432 through 43.22.432 through 43.22.432 through 43.22.432 through 43.22.432 through 43.22.432 through 43.22.430 and 43.22.432 through 43.22.432 through 43.22.430 and 43.22.432 through 43.22.430 and 43.22.432 through 43.22.435 through 43.22.435 through 43.22.430 and 43.22.432 through 43.22.435 through 43.22.435 through 43.22.430 and 43.22.432 through 43.22.435 through 43.22.435 through 43.22.432 through 43.22.435 through 43.22

(2) The department shall set the fees deposited in the account at a level that generates revenue that is as near as practicable to the amount of the appropriation to carry out the duties specified in this section.

(3) Until June 30, 2023, on the last working day of the first month following each quarterly period, seven percent of all revenues received into the account during the previous quarter from licenses, permits, and registrations, net of refunds paid to customers, must be transferred into the general fund.

<u>NEW SECTION.</u> Sec. 5. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2017.

Passed by the House June 29, 2017. Passed by the Senate June 29, 2017. Approved by the Governor July 6, 2017. Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 12**

[Engrossed Second Substitute House Bill 1777] EARLY LEARNING FACILITIES GRANT AND LOAN PROGRAM--REVOLVING ACCOUNT AND DEVELOPMENT ACCOUNT--CREATION

AN ACT Relating to financing early learning facilities to support the needed expansion of early learning classrooms across Washington; amending RCW 43.185.050; reenacting and amending RCW 43.84.092; adding new sections to chapter 43.31 RCW; creating a new section; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that there is a significant and critical need for additional early learning facilities to meet the state's commitment to providing high quality early learning opportunities to low-income children, including the legal mandate to provide preschool opportunities through the early childhood education and assistance program to all eligible children by 2023.

The legislature further finds that private and public partnerships and investments are critical to meeting the need for increased classrooms necessary to deliver high quality early learning opportunities to low-income children across Washington. The legislature intends to provide state financial assistance to leverage local and private resources to enable early childhood education and assistance program contractors and child care providers to expand, remodel, purchase, or construct early learning facilities and classrooms necessary to support statefunded early learning opportunities for low-income children.

<u>NEW SECTION.</u> Sec. 2. The department of early learning, in consultation with stakeholders, shall review existing licensing standards including, but not limited to, plumbing, fixtures, and playground equipment, related to facility requirements to eliminate potential barriers to licensing while ensuring the health and safety of children in early learning programs. The department must create a process by which projects for eligible organizations and school districts receiving grants or loans from the early learning facilities revolving account or the early learning facilities development account created in section 4 of this act can be preapproved under existing licensing standards related to facility requirements. The licensing standards accepted in the preapproval are the licensing standards that must be met upon project completion.

<u>NEW SECTION.</u> Sec. 3. Unless the context clearly requires otherwise, the definitions in this section apply throughout this act:

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

(2) "Director" means the director of commerce.

(3) "Early learning facility" means a facility providing regularly scheduled care for a group of children one month of age through twelve years of age for periods of less than twenty-four hours.

<u>NEW SECTION.</u> Sec. 4. (1) The early learning facilities revolving account and the early learning facilities development account are created in the state treasury.

(2) Revenues to the early learning facilities revolving account shall consist of appropriations by the legislature, early learning facilities grant and loan repayments, taxable bond proceeds, and all other sources deposited in the account.

(3) Revenues to the early learning facilities development account shall consist of tax-exempt bond proceeds.

(4) Expenditures from the accounts shall be used, in combination with other private and public funding, for state matching funds for the planning, renovation, purchase, and construction of early learning facilities as established in sections 6 through 12 of this act.

(5) Expenditures from the accounts are subject to appropriation and the allotment provisions of chapter 43.88 RCW.

<u>NEW SECTION.</u> Sec. 5. (1) The department, in consultation with the department of early learning, shall oversee the early learning facilities revolving account and the early learning facilities development account, and is the lead state agency for the early learning facilities grant and loan program.

(2) It is the intent of the legislature that state funds invested in the accounts be matched by private or local government funding. Every effort shall be made to maximize funding available for early learning facilities from public schools, community colleges, education service districts, local governments, and private funders. (3) Amounts used for program administration by the department may not exceed an average of four percent of the appropriated funds.

(4) Commitment of state funds for construction, purchase, or renovation of early learning facilities may be given only after private or public match funds are committed. Private or public match funds may consist of cash, equipment, land, buildings, or like-kind. In determining the level of match required, the department shall take into consideration the financial need of the applicant and the economic conditions of the location of the proposed facility.

<u>NEW SECTION.</u> Sec. 6. (1) The department must expend moneys from the early learning facilities revolving account to provide state matching funds for early learning facilities grants or loans to provide classrooms necessary for children to participate in the early childhood education and assistance program and working connections child care.

(2) The department must expend moneys from the early learning facilities development account to provide state matching funds for early learning facilities grants to provide classrooms necessary for children to participate in the early childhood education and assistance program and working connections child care.

(3) Funds expended from the accounts as specified in subsections (1) and (2) of this section may fund projects only for:

(a) Eligible organizations identified in section 7 of this act; and

(b) School districts.

(4)(a) Beginning August 1, 2017, the department shall:

(i) In consultation with the office of the superintendent of public instruction, implement and administer the early learning facilities grant and loan program for school districts as described in sections 9(3) and 10(1) of this act; and

(ii) Contract with one or more nongovernmental private-public partnerships that are certified by the community development financial institutions fund to implement and administer grants and loans funded through the early learning facilities revolving account or for a grant funded through the early learning facilities development account, for eligible organizations. Any nongovernmental private-public partnership that is certified by the community development financial institutions fund that is seeking early learning fund resources must demonstrate an ability to raise funding from private and other public entities for early learning facilities construction projects.

(b) The department may allow the application of an eligible organization for a grant or loan from the early learning facilities revolving account or for a grant from the early learning facilities development account created in section 4 of this act to be considered without the involvement of the nongovernmental privatepublic partnership that is certified by the community development financial institutions fund if a nongovernmental private-public partnership certified by the community development financial institutions fund is not reasonably available to the location of the proposed facility or if the eligible organization has sufficient ability and capacity to proceed with a project absent the involvement of a nongovernmental private-public partnership that is certified by the community development financial institutions fund.

(5) The department shall monitor performance of the early learning facilities grant and loan program. Any nongovernmental private-public partnership that is certified by the community development financial institutions fund receiving

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state funds for purposes of this act shall provide annual reports, beginning July 1, 2018, to the department. The reports must include, but are not limited to, the following:

(a) A list of projects funded through the early learning facilities grant and loan program for eligible organizations to include:

(i) Name;

(ii) Location;

(iii) Grant or loan amount;

(iv) Private match amount;

(v) Public match amount;

(vi) Number of early learners served; and

(vii) Other elements as required by the department;

(b) A demonstration of sufficient investment of private match funds; and

(c) A description of how the projects met the criteria described in section 10 of this act.

<u>NEW SECTION.</u> Sec. 7. (1) Organizations eligible to receive funding from the early learning facilities grant and loan program include:

(a) Early childhood education and assistance program providers;

(b) Working connections child care providers who are eligible to receive state subsidies;

(c) Licensed early learning centers not currently participating in the early childhood education and assistance program, but intending to do so;

(d) Developers of housing and community facilities;

(e) Community and technical colleges;

(f) Educational service districts;

(g) Local governments;

(h) Federally recognized tribes in the state; and

(i) Religiously affiliated entities.

(2) To be eligible to receive funding from the early learning facilities grant and loan program for activities described in section 8(1) (b) and (c) and (2) of this act, eligible organizations and school districts must:

(a) Commit to being an active participant in good standing with the early achievers program as defined by chapter 43.215 RCW;

(b) Demonstrate that projects receiving construction, purchase, or renovation grants or loans less than two hundred thousand dollars must also:

(i) Demonstrate that the project site is under the applicant's control for a minimum of ten years, either through ownership or a long-term lease; and

(ii) Commit to using the facility funded by the grant or loan for the purposes of providing preschool or child care for a minimum of ten years;

(c) Demonstrate that projects receiving construction, purchase, or renovation grants or loans of two hundred thousand dollars or more must also:

(i) Demonstrate that the project site is under the applicant's control for a minimum of twenty years, either through ownership or a long-term lease; and

(ii) Commit to using the facility funded by the grant or loan for the purposes of providing preschool or child care for a minimum of twenty years.

(3) To be eligible to receive funding from the early learning facilities grant and loan program for activities described in section 8(1) (b) and (c) and (2) of this act, religiously affiliated entities must use the facility to provide child care and education services consistent with subsection (4)(a) of this section.

(b) If the recipient does not meet the conditions specified in (a) of this subsection, the grants shall be repaid to the early learning facilities revolving account or the early learning facilities development account, as directed by the department. So long as an eligible organization continues to provide an early learning program in the facility, the facility is used as authorized, and the eligible organization continues to be an active participant and in good standing with the early achievers program, the grant repayment is waived.

(c) The department, in consultation with the department of early learning, must adopt rules to implement this section.

<u>NEW SECTION.</u> Sec. 8. (1) Activities eligible for funding through the early learning facilities grant and loan program for eligible organizations include:

(a) Facility predesign grants or loans of no more than ten thousand dollars to allow eligible organizations to secure professional services or consult with organizations certified by the community development financial institutions fund to plan for and assess the feasibility of early learning facilities projects or receive other technical assistance to design and develop projects for construction funding;

(b) Grants or loans of no more than one hundred thousand dollars for minor renovations or repairs of existing early learning facilities; and

(c) Major construction and renovation grants or loans and grants or loans for facility purchases of no more than eight hundred thousand dollars to create or expand early learning facilities.

(2) Activities eligible for funding through the early learning facilities grant and loan program for school districts include major construction, purchase, and renovation grants or loans of no more than eight hundred thousand dollars to create or expand early learning facilities that received priority and ranking as described in section 10 of this act.

(3) Beginning July 1, 2018, amounts in this section must be increased annually by the United States implicit price deflator for state and local government construction provided by the office of financial management.

<u>NEW SECTION.</u> Sec. 9. (1) It is the intent of the legislature that state funds invested in the early learning facilities grant and loan program be matched by private or local government funding. Every effort shall be made to maximize funding available for early learning facilities from public schools, community colleges, education service districts, local governments, and private funders.

(2) In the administration of the early learning facilities grant and loan program for eligible organizations, any nongovernmental private-public partnership that is certified by the community development financial institutions fund contracted with the department shall award grants or loans as described in section 8 of this act, that meet the criteria described in section 10 of this act, through an application process or in compliance with state and federal requirements of the funding source.

(3) In the administration of the early learning facilities grant and loan program for school districts, the department, in coordination with the office of the superintendent of public instruction, shall submit a ranked and prioritized list

of proposed purchases and major construction or renovation of early learning facilities projects for school districts subject to the prioritization methodology described in section 10 of this act to the office of financial management and the relevant legislative committees by December 15, 2017, and by September 15th of even-numbered years thereafter.

<u>NEW SECTION.</u> Sec. 10. (1) The department shall convene a committee of early learning facilities experts to advise the department regarding the prioritization methodology of applications for projects described in section 8 of this act including no less than one representative each from the department of early learning, the Washington state housing finance commission, an organization certified by the community development financial institutions fund, and the office of the superintendent of public instruction.

(2) When developing a prioritization methodology under this section, the committee shall consider, but is not limited to:

(a) Projects that add part-day, full-day, or extended day early childhood education and assistance program slots in areas with the highest unmet need;

(b) Projects benefiting low-income children;

(c) Projects located in low-income neighborhoods;

(d) Projects that provide more access to the early childhood education and assistance program as a ratio of the children eligible to participate in the program;

(e) Projects that are geographically disbursed relative to statewide need;

(f) Projects that include new or renovated kitchen facilities equipped to support the use of from scratch, modified scratch, or other cooking methods that enhance overall student nutrition;

(g) Projects that balance mixed-use development and rural locations; and

(h) Projects that maximize resources available from the state with funding from other public and private organizations, including the use of state lands or facilities.

(3) Committee members shall serve without compensation, but may request reimbursement for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(4) Committee members are not liable to the state, the early learning facilities revolving account, the early learning facilities development account, or to any other person, as a result of their activities, whether ministerial or discretionary, as members except for willful dishonesty or intentional violation of the law.

(5) The department may purchase liability insurance for members and may indemnify these persons against the claims of others.

<u>NEW SECTION.</u> Sec. 11. When funding is provided in the previous biennium, the department, in collaboration with the department of early learning, shall submit a report no later than December 1st of even-numbered years, to the governor and the appropriate committees of the legislature that provides an update on the status of the early learning facilities grant and loan program that includes, but is not limited to:

(1) The total amount of funds, by grant and loan, spent or contracted to be spent; and

(2) A list of projects awarded funding including, but not limited to, information about whether the project is a renovation or new construction or some other category, where the project is located, and the number of slots the project supports.

**Sec. 12.** RCW 43.84.092 and 2016 c 194 s 5, 2016 c 161 s 20, and 2016 c 112 s 4 are each reenacted and amended to read as follows:

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf of treasury funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasury and affected state agencies. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments shall occur prior to distribution of earnings set forth in subsection (4) of this section.

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense

account, the developmental disabilities community trust account, the diesel idle reduction account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the electric vehicle charging infrastructure account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the

transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, the state university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts.

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

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Sec. 13. RCW 43.185.050 and 2013 c 145 s 2 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 shall 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 lowincome or very low-income housing; and

(k) Projects making housing more accessible to families with members who have disabilities.

(3) <u>Preference shall be given for projects that include an early learning facility.</u>

(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.

(((4))) (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.

(((5))) (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.

(((6))) (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.

<u>NEW SECTION.</u> Sec. 14. Sections 2 through 11 of this act are each added to chapter 43.31 RCW.

<u>NEW SECTION.</u> Sec. 15. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House June 29, 2017.

Passed by the Senate June 30, 2017.

Approved by the Governor July 6, 2017.

Filed in Office of Secretary of State July 7, 2017.

#### **CHAPTER 13**

[Engrossed House Bill 2242] BASIC EDUCATION FUNDING

AN ACT Relating to funding fully the state's program of basic education by providing equitable education opportunities through reform of state and local education contributions; amending RCW 28A.150.410, 28A.400.205, 28A.400.200, 84.52.053, 84.52.0531, 84.52.0531, 28A.500.010, 28A.500.050, 84.52.065, 84.55.010, 84.52.043, 84.52.043, 84.48.080, 84.52.070, 84.55.070, 84.69.020, 84.36.381, 84.36.630, 84.52.067, 84.52.825, 79.64.110, 28A.150.200, 28A.150.260, 28A.165.005, 28A.165.015, 28A.165.055, 28A.150.390, 28A.150.392, 28A.185.020, 28A.150.1981, 28A.150.220, 28A.320.330, 28A.505.140, 28A.505.100, 28A.505.040, 28A.505.050, 28A.505.060, 41.59.935, 41.05.021, 41.05.022, 41.05.026, 41.05.050, 41.05.055, 41.05.075, 41.05.130, 41.05.143, 41.05.670, 28A.400.270, 28A.400.275, 28A.400.280, 28A.400.350, 41.56.500, 41.59.105, 48.02.210, 28A.545.030, 28A.545.070, and 28A.510.250; reenacting and amending RCW 84.48.110, 84.55.092, 41.05.011, and 41.05.120; adding new sections to chapter 28A.150 RCW; adding new sections to chapter 28A.415 RCW; adding a new section to chapter 28A.505 RCW; adding a new section to chapter 28A.500 RCW; adding new sections to chapter 28A.300 RCW; adding a new section to chapter 43.09 RCW; adding a new section to chapter 28A.320 RCW; adding new sections to chapter 28A.400 RCW; adding new sections to chapter 41.56 RCW; adding new sections to chapter 41.59 RCW; adding a new section to chapter 41.05 RCW; creating new sections; recodifying RCW 28A.300.600, 28A.300.602, 28A.300.604, and 28A.500.050; repealing RCW 28A.500.020, 28A.500.030, 28A.150.261, 28A.400.201, 28A.415.020, 28A.415.023, 28A.415.024, and 28A.415.025; repealing 2015 c 2 s 2; repealing 2015 3rd sp.s. c 38 ss 1, 3, and 4, and 2015 c 2 ss 1, 4, and 5 (uncodified); providing effective dates; providing expiration dates; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. INTENT. The state must provide education funding that corresponds to the cost of providing all students with the opportunity to learn through the state's statutory program of basic education. In chapter 548, Laws of 2009 (Engrossed Substitute House Bill No. 2261) and chapter 236, Laws of 2010 (Substitute House Bill No. 2776), the state established a comprehensive plan for enhancing the state's program of basic education. With this act, the legislature intends to realize the promise of these reforms and to improve student outcomes by increasing state allocations for school staff salaries, by revising state and local education funding.

#### PART I

#### SALARY ALLOCATIONS

Sec. 101. RCW 28A.150.410 and 2010 c 236 s 10 are each amended to read as follows:

SALARY ALLOCATION METHODOLOGY—REGULAR REALIGNMENT—ADJUSTMENTS FOR REGIONAL DIFFERENCES IN THE COST OF HIRING STAFF.

(1) <u>Through the 2017-18 school year, the legislature shall establish for each</u> school year in the appropriations act a statewide salary allocation schedule, for allocation purposes only, to be used to distribute funds for basic education certificated instructional staff salaries under RCW 28A.150.260. For the purposes of this section, the staff allocations for classroom teachers, teacher librarians, guidance counselors, and student health services staff under RCW 28A.150.260 are considered allocations for certificated instructional staff.

(2) <u>Through the 2017-18 school year, salary allocations</u> for state-funded basic education certificated instructional staff shall be calculated by the superintendent of public instruction by determining the district's average salary for certificated instructional staff, using the statewide salary allocation schedule and related documents, conditions, and limitations established by the omnibus appropriations act.

(3) ((Beginning January 1, 1992)) <u>Through the 2017-18 school year</u>, no more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in the omnibus appropriations act, or any replacement schedules and documents, unless:

(a) The employee has a master's degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(4) Beginning in the 2007-08 school year and through the 2017-18 school year, the calculation of years of service for occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, and psychologists regulated under Title 18 RCW may include experience in schools and other nonschool positions as occupational therapists, physical therapists, speech-language pathologists, audiologists, nurses, social workers, counselors, or psychologists. The calculation shall be that one year of service in a nonschool position counts as one year of service for purposes of this chapter, up to a limit of two years of nonschool service. Nonschool years of service credit totals for purposes of any retirement benefit under chapter 41.32, 41.35, or 41.40 RCW, or any other state retirement system benefits.

(5) By the 2019-20 school year, the minimum state allocation for salaries for certificated instructional staff in the basic education program must be increased beginning in the 2018-19 school year to provide a statewide average allocation of sixty-four thousand dollars adjusted for inflation from the 2017-18 school year.

(6) By the 2019-20 school year, the minimum state allocation for salaries for certificated administrative staff in the basic education program must be increased beginning in the 2018-19 school year to provide a statewide average allocation of ninety-five thousand dollars adjusted for inflation from the 2017-18 school year.

(7) By the 2019-20 school year, the minimum state allocation for salaries for classified staff in the basic education program must be increased beginning in the 2018-19 school year to provide a statewide average allocation of forty-five thousand nine hundred twelve dollars adjusted by inflation from the 2017-18 school year.

(8) To implement the new minimum salary allocations in subsections (5) through (7) of this section, the legislature must fund fifty percent of the increased salary allocation in the 2018-19 school year and the entire increased salary allocation in the 2019-20 school year. For school year 2018-19, a district's minimum state allocation for salaries is the greater of the district's 2017-18 state salary allocation, adjusted for inflation, or the district's allocation based on the

state salary level specified in subsections (5) through (7) of this section, and as further specified in the omnibus appropriations act.

(9) Beginning with the 2018-19 school year, state allocations for salaries for certificated instructional staff, certificated administrative staff, and classified staff must be adjusted for regional differences in the cost of hiring staff. Adjustments for regional differences must be specified in the omnibus appropriations act for each school year through at least school year 2022-23. For school years 2018-19 through school year 2022-23, the school district regionalization factors are based on the median single-family residential value of each school district and proximate school district median single-family residential value as described in section 104 of this act.

(10) Beginning with the 2023-24 school year and every six years thereafter, the minimum state salary allocations and school district regionalization factors for certificated instructional staff, certificated administration staff, and classified staff must be reviewed and rebased, as provided under section 104 of this act, to ensure that state salary allocations continue to align with staffing costs for the state's program of basic education.

Sec. 102. RCW 28A.400.205 and 2013 2nd sp.s. c 5 s 1 are each amended to read as follows:

INFLATIONARY ADJUSTMENTS.

(1) School district employees shall be provided an annual salary ((cost-ofliving)) inflationary increase in accordance with this section.

(a) The ((cost-of-living)) inflationary increase shall be calculated by applying the rate of the yearly increase in the ((cost-of-living)) inflationary adjustment index to any state-funded salary base used in state funding formulas for teachers and other school district employees. Beginning with the ((2001-02 school year, and for each subsequent school year, except for the 2013-14 and 2014-15 school years)) 2020-21 school year, each school district shall be provided ((a cost-of-living)) an inflationary adjustment allocation sufficient to grant this ((cost-of-living)) inflationary increase.

(b) A school district shall distribute its ((cost of living)) inflationary adjustment allocation for salaries and salary-related benefits in accordance with the district's ((salary schedules,)) collective bargaining agreements(( $\tau$ )) and compensation policies. No later than the end of the school year, each school district shall certify to the superintendent of public instruction that it has spent funds provided for ((cost of living)) inflationary increases on salaries and salary-related benefits.

(c) Any funded ((eost-of-living)) inflationary increase shall be included in the salary base used to determine ((eost-of-living)) inflationary increases for school employees in subsequent years. For teachers and other certificated instructional staff, the rate of the annual ((eost-of-living)) inflationary increase funded for certificated instructional staff shall be applied to the base salary used with the statewide salary allocation ((schedule)) methodology established under RCW 28A.150.410 and to any other salary ((models)) allocation methodologies used to recognize school district personnel costs.

(2) For the purposes of this section, "((cost-of-living)) inflationary adjustment index" means, for any school year, the ((previous calendar year's annual average consumer price index)) implicit price deflator for that fiscal year, using the official current base, compiled by the bureau of labor statistics, United

States department of labor for the state of Washington. ((If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the eost-of-living index in this section.))

Sec. 103. RCW 28A.400.200 and 2010 c 235 s 401 are each amended to read as follows:

CERTIFICATED INSTRUCTIONAL STAFF SALARIES— SUPPLEMENTAL CONTRACTS.

(1) Every school district board of directors shall fix, alter, allow, and order paid salaries and compensation for all district employees in conformance with this section.

(2)(a) <u>Through the 2017-18 school year, salaries</u> for certificated instructional staff shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a baccalaureate degree and zero years of service; ((and))

(b) Salaries for certificated instructional staff with a master's degree shall not be less than the salary provided in the appropriations act in the statewide salary allocation schedule for an employee with a master's degree and zero years of service: and

(c) Beginning with the 2019-20 school year:

(i) Salaries for full-time certificated instructional staff must not be less than forty thousand dollars, to be adjusted for regional differences in the cost of hiring staff as specified in RCW 28A.150.410, and to be adjusted annually by the same inflationary measure as provided in RCW 28A.400.205;

(ii) Salaries for full-time certificated instructional staff with at least five years of experience must exceed by at least ten percent the value specified in (c)(i) of this subsection;

(iii) A district may not pay full-time certificated instructional staff a salary that exceeds ninety thousand dollars, subject to adjustment for regional differences in the cost of hiring staff as specified in RCW 28A.150.410. This maximum salary is adjusted annually by the inflationary measure in RCW 28A.400.205;

(iv) These minimum and maximum salaries apply to the services provided as part of the state's statutory program of basic education and exclude supplemental contracts for additional time, responsibility, or incentive pursuant to this section or for enrichment pursuant to section 501 of this act;

(v) A district may pay a salary that exceeds this maximum salary by up to ten percent for full-time certificated instructional staff: Who are educational staff associates; who teach in the subjects of science, technology, engineering, or math; or who teach in the transitional bilingual instruction or special education programs.

(3)(a)(i) Through the 2017-18 school year the actual average salary paid to certificated instructional staff shall not exceed the district's average certificated instructional staff salary used for the state basic education allocations for that school year as determined pursuant to RCW 28A.150.410.

(ii) For the 2018-19 school year, salaries for certificated instructional staff are subject to the limitations in section 702 of this act.

(iii) Beginning with the 2019-20 school year, for purposes of subsection (4) of this section, section 501 of this act, and RCW 28A.505.100, each school district must annually identify the actual salary paid to each certificated instructional staff for services rendered as part of the state's program of basic education.

(b) Through the 2018-19 school year, fringe benefit contributions for certificated instructional staff shall be included as salary under (a)(i) of this subsection only to the extent that the district's actual average benefit contribution exceeds the amount of the insurance benefits allocation, less the amount remitted by districts to the health care authority for retiree subsidies, provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. For purposes of this section, fringe benefits shall not include payment for unused leave for illness or injury under RCW 28A.400.210; employer contributions for old age survivors insurance, workers' compensation, unemployment compensation, and retirement benefits under the Washington state retirement system; or employer contributions for health benefits in excess of the insurance benefits allocation provided per certificated instructional staff unit in the state operating appropriations act in effect at the time the compensation is payable. A school district may not use state funds to provide employer contributions for such excess health benefits.

(c) Salary and benefits for certificated instructional staff in programs other than basic education shall be consistent with the salary and benefits paid to certificated instructional staff in the basic education program.

(4)(a) Salaries and benefits for certificated instructional staff may exceed the limitations in subsection (3) of this section only by separate contract for additional time, for additional responsibilities, or for incentives((, or for implementing specific measurable innovative activities, including professional development, specified by the school district to: (a) Close one or more achievement gaps, (b) focus on development of science, technology, engineering, and mathematics (STEM) learning opportunities, or (c) provide arts education. Beginning September 1, 2011, school districts shall annually provide a brief description of the innovative activities included in any supplemental contract to the office of the superintendent of public instruction. The office of the superintendent of public instruction shall summarize the district information and submit an annual report to the education committees of the house of representatives and the senate)). Supplemental contracts shall not cause the state to incur any present or future funding obligation. Supplemental contracts must be accounted for by a school district when the district is developing its four-year budget plan under RCW 28A.505.040.

(b) Supplemental contracts shall be subject to the collective bargaining provisions of chapter 41.59 RCW and the provisions of RCW 28A.405.240, shall not exceed one year, and if not renewed shall not constitute adverse change in accordance with RCW 28A.405.300 through 28A.405.380. No district may enter into a supplemental contract under this subsection for the provision of services which are a part of the basic education program required by Article IX, section ((3)) 1 of the state Constitution and RCW 28A.150.220. Beginning September 1, 2019, supplemental contracts for certificated instructional staff are subject to the following additional restrictions: School districts may enter into

supplemental contracts only for enrichment activities as defined in and subject to the limitations of section 501 of this act. The rate the district pays under a supplemental contract may not exceed the hourly rate provided to that same instructional staff for services under the basic education salary identified pursuant to subsection (3)(a)(iii) of this section.

(5) Employee benefit plans offered by any district shall comply with RCW 28A.400.350 ((and)), 28A.400.275, and 28A.400.280.

<u>NEW SECTION.</u> Sec. 104. A new section is added to chapter 28A.150 RCW to read as follows:

PROCESS FOR REVIEWING AND REBASING SALARY ALLOCATIONS.

(1) Beginning with the 2023 regular legislative session, and every six years thereafter, the legislature shall review and rebase state basic education compensation allocations compared to school district compensation data, regionalization factors, and other economic information. The legislature shall revise the minimum allocations and regionalization factors if necessary to ensure that state basic education allocations continue to provide market-rate salaries and that regionalization adjustments reflect actual economic differences between school districts.

(2)(a) For school districts with single-family residential values above the statewide median residential value, regionalization factors for school years 2018-19 through school year 2022-23 are as follows:

(i) For school districts in tercile 1, state salary allocations for school district employees are regionalized by six percent;

(ii) For school districts in tercile 2, state salary allocations for school district employees are regionalized by twelve percent; and

(iii) For school districts in tercile 3, state salary allocations for school district employees are regionalized by eighteen percent.

(b) Additional school district adjustments are identified in the omnibus appropriations act, and these adjustments are partially reduced or eliminated by the 2022-23 school year as follows:

(i) Adjustments that increase the regionalization factor to a value that is greater than the tercile 3 regionalization factor must be reduced by two percentage points each school year beginning with school year 2020-21, through 2022-23.

(ii) Adjustments that increase the regionalization factor to a value that is less than or equal to the tercile 3 regionalization factor must be reduced by one percentage point each school year beginning with school year 2020-21, through 2022-23.

(3) To aid the legislature in reviewing and rebasing regionalization factors, the department of revenue shall, by November 1, 2022, and by November 1st every six years thereafter, determine the median single-family residential value of each school district as well as the median value of proximate districts within fifteen miles of the boundary of the school district for which the median residential value is being calculated.

(4) No district may receive less state funding for the minimum state salary allocation as compared to its prior school year salary allocation as a result of adjustments that reflect updated regionalized salaries.

(5) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Median residential value of each school district" means the median value of all single-family residential parcels included within a school district and any other school district that is proximate to the school district.

(b) "Proximate to the school district" means within fifteen miles of the boundary of the school district for which the median residential value is being calculated.

(c) "School district employees" means state-funded certificated instructional staff, certificated administrative staff, and classified staff.

(d) "School districts in tercile 1" means school districts with median singlefamily residential values in the first tercile of districts with single-family residential values above the statewide median residential value.

(e) "School districts in tercile 2" means school districts with median single-family residential values in the second tercile of districts with single-family residential values above the statewide median residential value.

(f) "School districts in tercile 3" means school districts with median singlefamily residential values in the third tercile of districts with single-family residential values above the statewide median residential value.

(g) "Statewide median residential value" means the median value of singlefamily residential parcels located within all school districts, reduced by five percent.

<u>NEW SECTION.</u> Sec. 105. A new section is added to chapter 28A.150 RCW to read as follows:

PROFESSIONAL LEARNING DAYS.

(1) Beginning with the 2018-19 school year, the legislature shall begin phasing in funding for professional learning days for certificated instructional staff. At a minimum, the state must allocate funding for:

(a) One professional learning day in the 2018-19 school year;

(b) Two professional learning days in the 2019-20 school year; and

(c) Three professional learning days in the 2020-21 school year.

(2) Nothing in this section entitles an individual certificated instructional staff to any particular number of professional learning days.

(3) The professional learning days must meet the definitions and standards provided in RCW 28A.300.600, 28A.300.602, and 28A.300.604 (as recodified by this act).

*<u>NEW SECTION.</u> Sec. 106. A new section is added to chapter 28A.150 RCW to read as follows:

LATE START/EARLY RELEASE.

Beginning in the 2019-20 school year, late start or early release of students resulting in partial days of instruction shall be limited to no more than seven occurrences during the required minimum one hundred eighty-day school year, except as provided in RCW 28A.150.290 for unforeseen events.

*Sec. 106 was vetoed. See message at end of chapter.

<u>NEW SECTION.</u> Sec. 107. A new section is added to chapter 28A.150 RCW to read as follows:

MODEL SALARY GRID FOR CERTIFICATED INSTRUCTIONAL STAFF—WORK GROUP.

(1) The superintendent of public instruction must convene and facilitate a stakeholder technical working group to develop a model salary grid for school district use in developing locally determined compensation plans for certificated instructional staff.

(2) The grid is intended to be used as a resource by school districts in determining local salaries in the collective bargaining process, and it is intended to provide guidance to districts in hiring staff based on the allocation methodology, regionalization adjustments, and compensation restrictions in chapter . . ., Laws of 2017 3rd sp. sess. (this act). However, districts are not required to use this grid in bargaining or determining actual salaries.

(3) Membership of the technical working group convened by the superintendent of public instruction may include, but is not limited to, one school district administrator each from an urban and a rural district east of the crest of the Cascade mountains and from an urban and a rural district west of the crest of the Cascade mountains, a representative of an organization representing school district certificated instructional staff, and a representative of an educational service district.

(4) The superintendent of public instruction must provide the initial model grid to the governor and the appropriate policy and fiscal committees of the legislature for their review by December 1, 2017. The superintendent of public instruction must post the model grid on the web site for the office of the superintendent of public instruction.

(5) The superintendent of public instruction may reconvene the technical working group to update the model grid based on future legislative changes to methodologies for allocating and regionalizing salaries for certificated instructional staff.

<u>NEW SECTION.</u> Sec. 108. RECODIFICATION OF PROFESSIONAL LEARNING STANDARDS. RCW 28A.300.600, 28A.300.602, and 28A.300.604 are each recodified as sections in chapter 28A.415 RCW.

# PART II

# ENRICHMENT LEVIES AND LOCAL EFFORT ASSISTANCE

Sec. 201. RCW 84.52.053 and 2012 c 186 s 18 are each amended to read as follows:

MAINTENANCE AND OPERATIONS LEVIES RENAMED "ENRICHMENT LEVIES"—MAY BE USED FOR ENRICHMENT ONLY.

(1) The limitations imposed by RCW 84.52.050 through 84.52.056, and 84.52.043 shall not prevent the levy of taxes by school districts, when authorized so to do by the voters of such school district in the manner and for the purposes and number of years allowable under Article VII, section 2(a) and Article IX, section 1 of the Constitution of this state. Elections for such taxes shall be held in the year in which the levy is made or, in the case of propositions authorizing two-year through four-year levies for ((maintenance and operation support of)) enrichment funding for a school district, authorizing two-year levies for transportation vehicle funds established in RCW 28A.160.130 through calendar year 2019, authorizing two-year levies for transportation vehicle enrichment beginning with calendar year 2020, or authorizing two-year through six-year levies to support the construction, modernization, or remodeling of school

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facilities, which includes the purposes of RCW 28A.320.330(2) (f) and (g), in the year in which the first annual levy is made.

(2)(a) Once additional tax levies have been authorized for ((maintenance and operation support of)) enrichment funding for a school district for a twoyear through four-year period as provided under subsection (1) of this section, no further additional tax levies for ((maintenance and operation support of)) enrichment funding for the district for that period may be authorized, except for additional levies to provide for subsequently enacted increases affecting the district's ((levy base or)) maximum levy ((percentage)).

(b) Notwithstanding (a) of this subsection, any school district that is required to annex or receive territory pursuant to a dissolution of a financially insolvent school district pursuant to RCW 28A.315.225 may call either a replacement or supplemental levy election within the school district, including the territory annexed or transferred, as follows:

(i) An election for a proposition authorizing two-year through four-year levies for ((maintenance and operation support of)) <u>enrichment funding for</u> a school district may be called and held before the effective date of dissolution to replace existing ((maintenance and operation)) <u>enrichment</u> levies and to provide for increases due to the dissolution.

(ii) An election for a proposition authorizing additional tax levies may be called and held before the effective date of dissolution to provide for increases due to the dissolution.

(iii) In the event a replacement levy election under (b)(i) of this subsection is held but does not pass, the affected school district may subsequently hold a supplemental levy election pursuant to (b)(ii) of this subsection if the supplemental levy election is held before the effective date of dissolution. In the event a supplemental levy election is held under ((subsection)) (b)(ii) of this subsection but does not pass, the affected school district may subsequently hold a replacement levy election pursuant to (b)(i) of this subsection if the replacement levy election is held before the effective date of dissolution. Failure of a replacement levy or supplemental levy election does not affect any previously approved and existing ((maintenance and operation)) enrichment levy within the affected school district or districts.

(c) For the purpose of applying the limitation of this subsection (2), a twoyear through six-year levy to support the construction, modernization, or remodeling of school facilities shall not be deemed to be a tax levy for ((maintenance and operation support of)) enrichment funding for a school district.

(3) A special election may be called and the time therefor fixed by the board of school directors, by giving notice thereof by publication in the manner provided by law for giving notices of general elections, at which special election the proposition authorizing such excess levy shall be submitted in such form as to enable the voters favoring the proposition to vote "yes" and those opposed thereto to vote "no."

(4)(a) Beginning September 1, 2019, school districts may use enrichment levies and transportation vehicle enrichment levies solely to enrich the state's statutory program of basic education as authorized under section 501 of this act.

(b) Beginning with propositions for enrichment levies and transportation vehicle enrichment levies for collection in calendar year 2020 and thereafter, a

district must receive approval of an enrichment levy expenditure plan from the superintendent of public instruction under section 204 of this act before submission of the proposition to the voters.

Sec. 202. RCW 84.52.0531 and 2017 c 6 s 2 are each amended to read as follows:

LEVY LIMITATIONS REVISED TO REFLECT FUTURE ENRICHMENT AND ACCOUNTING POLICIES.

The maximum dollar amount which may be levied by or for any school district for maintenance and operation support under the provisions of RCW 84.52.053 shall be determined as follows:

(1) For excess levies for collection in calendar year 1997, the maximum dollar amount shall be calculated pursuant to the laws and rules in effect in November 1996.

(2) For excess levies for collection in calendar year 1998 and thereafter, the maximum dollar amount shall be the sum of (a) plus or minus (b), (c), and (d) of this subsection minus (e) of this subsection:

(a) The district's levy base as defined in subsections (3) and (4) of this section multiplied by the district's maximum levy percentage as defined in subsection (7) of this section;

(b) For districts in a high/nonhigh relationship, the high school district's maximum levy amount shall be reduced and the nonhigh school district's maximum levy amount shall be increased by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy;

(c) Except for nonhigh districts under (d) of this subsection, for districts in an interdistrict cooperative agreement, the nonresident school district's maximum levy amount shall be reduced and the resident school district's maximum levy amount shall be increased by an amount equal to the per pupil basic education allocation included in the nonresident district's levy base under subsection (3) of this section multiplied by:

(i) The number of full-time equivalent students served from the resident district in the prior school year; multiplied by:

(ii) The serving district's maximum levy percentage determined under subsection (7) of this section; increased by:

(iii) The percent increase per full-time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year divided by fifty-five percent;

(d) The levy bases of nonhigh districts participating in an innovation academy cooperative established under RCW 28A.340.080 shall be adjusted by the office of the superintendent of public instruction to reflect each district's proportional share of student enrollment in the cooperative;

(e) The district's maximum levy amount shall be reduced by the maximum amount of state matching funds for which the district is eligible under RCW 28A.500.010.

(3) For excess levies for collection in calendar year 2005 and thereafter, a district's levy base shall be the sum of allocations in (a) through (c) of this subsection received by the district for the prior school year and the amounts determined under subsection (4) of this section, including allocations for

compensation increases, plus the sum of such allocations multiplied by the percent increase per full time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year and divided by fifty-five percent. A district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations not identified in (a) through (c) of this subsection.

(a) The district's basic education allocation as determined pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

(b) State and federal categorical allocations for the following programs:

(i) Pupil transportation;

(ii) Special education;

(iii) Education of highly capable students;

(iv) Compensatory education, including but not limited to learning assistance, migrant education, Indian education, refugee programs, and bilingual education;

(v) Food services; and

(vi) Statewide block grant programs; and

(c) Any other federal allocations for elementary and secondary school programs, including direct grants, other than federal impact aid funds and allocations in lieu of taxes.

(4) For levy collections in calendar years 2005 through 2018, in addition to the allocations included under subsection (3)(a) through (c) of this section, a district's levy base shall also include the following:

(a)(i) For levy collections in calendar year 2010, the difference between the allocation the district would have received in the current school year had RCW 84.52.068 not been amended by chapter 19, Laws of 2003 1st sp. sess. and the allocation the district received in the current school year pursuant to RCW 28A.505.220;

(ii) For levy collections in calendar years 2011 through 2018, the allocation rate the district would have received in the prior school year using the Initiative 728 rate multiplied by the full-time equivalent student enrollment used to calculate the Initiative 728 allocation for the prior school year; and

(b) The difference between the allocations the district would have received the prior school year using the Initiative 732 base and the allocations the district actually received the prior school year pursuant to RCW 28A.400.205.

(5) For levy collections in calendar years 2011 through 2018, in addition to the allocations included under subsections (3)(a) through (c) and (4)(a) and (b) of this section, a district's levy base shall also include the difference between an allocation of fifty-three and two-tenths certificated instructional staff units per thousand full-time equivalent students in grades kindergarten through four enrolled in the prior school year and the allocation of certificated instructional staff units per thousand full-time equivalent students in grades kindergarten through four that the district actually received in the prior school year, except that the levy base for a school district whose allocation in the 2009-10 school year was less than fifty-three and two-tenths certificated instructional staff units per thousand full-time equivalent students in grades kindergarten through four shall include the difference between the allocation the district actually received

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in the 2009-10 school year and the allocation the district actually received in the prior school year.

(6) For levy collections beginning in calendar year 2014 and thereafter, in addition to the allocations included under subsections (3)(a) through (c), (4)(a) and (b), and (5) of this section, a district's levy base shall also include the funds allocated by the superintendent of public instruction under RCW 28A.715.040 to a school that is the subject of a state-tribal education compact and that formerly contracted with the school district to provide educational services through an interlocal agreement and received funding from the district.

(7)(a) A district's maximum levy percentage shall be twenty-four percent in 2010 and twenty-eight percent in 2011 through 2018 ((and twenty-four percent every year thereafter));

(b) For qualifying districts, in addition to the percentage in (a) of this subsection the grandfathered percentage determined as follows:

(i) For 1997, the difference between the district's 1993 maximum levy percentage and twenty percent; and

(ii) For 2011 through 2018, the percentage calculated as follows:

(A) Multiply the grandfathered percentage for the prior year times the district's levy base determined under subsection (3) of this section;

(B) Reduce the result of (b)(ii)(A) of this subsection by any levy reduction funds as defined in subsection (8) of this section that are to be allocated to the district for the current school year;

(C) Divide the result of (b)(ii)(B) of this subsection by the district's levy base; and

(D) Take the greater of zero or the percentage calculated in (b)(ii)(C) of this subsection.

(8) "Levy reduction funds" shall mean increases in state funds from the prior school year for programs included under subsections (3) and (4) of this section: (a) That are not attributable to enrollment changes, compensation increases, or inflationary adjustments; and (b) that are or were specifically identified as levy reduction funds in the appropriations act. If levy reduction funds are dependent on formula factors which would not be finalized until after the start of the current school year, the superintendent of public instruction shall estimate the total amount of levy reduction funds by using prior school year data in place of current school year data. Levy reduction funds shall not include moneys received by school districts from cities or counties.

(9) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.

(b) "Current school year" means the year immediately following the prior school year.

(c) "Initiative 728 rate" means the allocation rate at which the student achievement program would have been funded under chapter 3, Laws of 2001, if all annual adjustments to the initial 2001 allocation rate had been made in previous years and in each subsequent year as provided for under chapter 3, Laws of 2001.

(d) "Initiative 732 base" means the prior year's state allocation for annual salary cost-of-living increases for district employees in the state-funded salary

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base as it would have been calculated under chapter 4, Laws of 2001, if each annual cost-of-living increase allocation had been provided in previous years and in each subsequent year.

(10) Funds collected from transportation vehicle fund tax levies shall not be subject to the levy limitations in this section.

(11) The superintendent of public instruction shall develop rules and inform school districts of the pertinent data necessary to carry out the provisions of this section.

(12) For calendar year 2009, the office of the superintendent of public instruction shall recalculate school district levy authority to reflect levy rates certified by school districts for calendar year 2009.

(((13) For levies collected in calendar year 2018 and thereafter, levy collections must be deposited into a local revenue subfund of the general fund to enable a detailed accounting of the amount and object of expenditures from the levy collections. The office of the superintendent of public instruction must collaborate with the office of the state auditor to develop guidance for districts to earry out this requirement.

(14) To ensure that levies for maintenance and operation support under RCW 84.52.053 are not used for basic education programs, beginning with ballot propositions submitted to the voters in calendar year 2018, districts must provide a report to the office of the superintendent of public instruction detailing the programs and activities to be funded through a maintenance and operation levy. Enrichment beyond the state-provided funding in the omnibus appropriations act for the basic education program components under RCW 28A.150.260 is a permitted use of maintenance and operation levies. The report required by this subsection must be submitted to, and approved by, the office of the superintendent of public instruction prior to the election for the proposition.))

Sec. 203. RCW 84.52.0531 and 2017 c 6 s 3 are each amended to read as follows:

ENRICHMENT LEVIES BEGINNING IN 2019.

((The maximum dollar amount which may be levied by or for any school district for maintenance and operation support under the provisions of RCW 84.52.053 shall be determined as follows:

(1) For excess levies for collection in calendar year 1997, the maximum dollar amount shall be calculated pursuant to the laws and rules in effect in November 1996.

(2) For excess levies for collection in calendar year 1998 and thereafter, the maximum dollar amount shall be the sum of (a) plus or minus (b), (c), and (d) of this subsection minus (e) of this subsection:

(a) The district's levy base as defined in subsection (3) of this section multiplied by the district's maximum levy percentage as defined in subsection (4) of this section;

(b) For districts in a high/nonhigh relationship, the high school district's maximum levy amount shall be reduced and the nonhigh school district's maximum levy amount shall be increased by an amount equal to the estimated amount of the nonhigh payment due to the high school district under RCW 28A.545.030(3) and 28A.545.050 for the school year commencing the year of the levy;

(c) Except for nonhigh districts under (d) of this subsection, for districts in an interdistrict cooperative agreement, the nonresident school district's maximum levy amount shall be reduced and the resident school district's maximum levy amount shall be increased by an amount equal to the per pupil basic education allocation included in the nonresident district's levy base under subsection (3) of this section multiplied by:

(i) The number of full-time equivalent students served from the resident district in the prior school year; multiplied by:

(ii) The serving district's maximum levy percentage determined under subsection (4) of this section; increased by:

(iii) The percent increase per full time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year divided by fifty five percent;

(d) The levy bases of nonhigh districts participating in an innovation academy cooperative established under RCW 28A.340.080 shall be adjusted by the office of the superintendent of public instruction to reflect each district's proportional share of student enrollment in the cooperative;

(e) The district's maximum levy amount shall be reduced by the maximum amount of state matching funds for which the district is eligible under RCW 28A.500.010.

(3) For excess levies for collection in calendar year 1998 and thereafter, a district's levy base shall be the sum of allocations in (a) through (c) of this subsection received by the district for the prior school year, including allocations for compensation increases, plus the sum of such allocations multiplied by the percent increase per full time equivalent student as stated in the state basic education appropriation section of the biennial budget between the prior school year and the current school year and divided by fifty-five percent. A district's levy base shall not include local school district property tax levies or other local revenues, or state and federal allocations not identified in (a) through (c) of this subsection.

(a) The district's basic education allocation as determined pursuant to RCW 28A.150.250, 28A.150.260, and 28A.150.350;

(b) State and federal categorical allocations for the following programs:

(i) Pupil transportation;

(ii) Special education;

(iii) Education of highly capable students;

(iv) Compensatory education, including but not limited to learning assistance, migrant education, Indian education, refugee programs, and bilingual education;

(v) Food services; and

(vi) Statewide block grant programs; and

(c) Any other federal allocations for elementary and secondary school programs, including direct grants, other than federal impact aid funds and allocations in lieu of taxes.

(4)(a) A district's maximum levy percentage shall be twenty-four percent in 2010 and twenty-eight percent in 2011 through 2018 and twenty-four percent every year thereafter;

(b) For qualifying districts, in addition to the percentage in (a) of this subsection the grandfathered percentage determined as follows:

(i) For 1997, the difference between the district's 1993 maximum levy percentage and twenty percent;

(ii) For 2011 through 2018, the percentage calculated as follows:

(A) Multiply the grandfathered percentage for the prior year times the district's levy base determined under subsection (3) of this section;

(B) Reduce the result of (b)(ii)(A) of this subsection by any levy reduction funds as defined in subsection (5) of this section that are to be allocated to the district for the current school year;

(C) Divide the result of (b)(ii)(B) of this subsection by the district's levy base; and

(D) Take the greater of zero or the percentage calculated in (b)(ii)(C) of this subsection;

(iii) For 2019 and thereafter, the percentage shall be calculated as follows:

(A) Multiply the grandfathered percentage for the prior year times the district's levy base determined under subsection (3) of this section;

(B) Reduce the result of (b)(iii)(A) of this subsection by any levy reduction funds as defined in subsection (5) of this section that are to be allocated to the district for the current school year;

(C) Divide the result of (b)(iii)(B) of this subsection by the district's levy base; and

(D) Take the greater of zero or the percentage calculated in (b)(iii)(C) of this subsection.

(5) "Levy reduction funds" shall mean increases in state funds from the prior school year for programs included under subsection (3) of this section: (a) That are not attributable to enrollment changes, compensation increases, or inflationary adjustments; and (b) that are or were specifically identified as levy reduction funds in the appropriations act. If levy reduction funds are dependent on formula factors which would not be finalized until after the start of the current school year, the superintendent of public instruction shall estimate the total amount of levy reduction funds by using prior school year data in place of current school year data. Levy reduction funds shall not include moneys received by school districts from cities or counties.

(6) For the purposes of this section, "prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.

(7) For the purposes of this section, "current school year" means the year immediately following the prior school year.

(8) Funds collected from transportation vehicle fund tax levies shall not be subject to the levy limitations in this section.

(9))) (1) Beginning with taxes levied for collection in 2019, the maximum dollar amount which may be levied by or for any school district for enrichment levies under RCW 84.52.053 is equal to the lesser of one dollar and fifty cents per thousand dollars of the assessed value of property in the school district or the maximum per-pupil limit.

(2) The definitions in this subsection apply to this section unless the context clearly requires otherwise.

(a) "Inflation" means inflation as defined in RCW 84.55.005.

(b) "Maximum per-pupil limit" means two thousand five hundred dollars, multiplied by the number of average annual resident full-time equivalent students enrolled in the school district in the prior school year. Beginning with property taxes levied for collection in 2020, the maximum per-pupil limit shall be increased by inflation.

(c) "Prior school year" means the most recent school year completed prior to the year in which the levies are to be collected.

(3) Beginning with propositions for enrichment levies for collection in calendar year 2020 and thereafter, a district must receive approval of an enrichment levy expenditure plan under section 204 of this act before submission of the proposition to the voters.

(4) The superintendent of public instruction shall develop rules and regulations and inform school districts of the pertinent data necessary to carry out the provisions of this section.

(((10) For levies collected in calendar year 2018 and thereafter, levy collections must be deposited into a local revenue subfund of the general fund to enable a detailed accounting of the amount and object of expenditures from the levy collections. The office of the superintendent of public instruction must collaborate with the office of the state auditor to develop guidance for districts to earry out this requirement.

(11) To ensure that levies for maintenance and operation support under RCW 84.52.053 are not used for basic education programs, beginning with ballot propositions submitted to the voters in calendar year 2018, districts must provide a report to the office of the superintendent of public instruction detailing the programs and activities to be funded through a maintenance and operation levy. Enrichment beyond the state-provided funding in the omnibus appropriations act for the basic education program components under RCW 28A.150.260 is a permitted use of maintenance and operation levies. The report required by this subsection must be submitted to, and approved by, the office of the superintendent of public instruction.))

(5) Beginning with taxes levied for collection in 2020, enrichment levy revenues must be deposited in a separate subfund of the school district's general fund pursuant to RCW 28A.320.330, and are subject to the restrictions of section 501 of this act and the audit requirements of section 503 of this act.

(6) Funds collected from transportation vehicle enrichment levies shall not be subject to the levy limitations in this section.

<u>NEW SECTION.</u> Sec. 204. A new section is added to chapter 28A.505 RCW to read as follows:

PREBALLOT APPROVAL OF ENRICHMENT LEVY EXPENDITURE PLANS.

(1) As required by RCW 84.52.053(4), before a school district may submit an enrichment levy, including a transportation vehicle enrichment levy, under RCW 84.52.053 to the voters, it must have received approval from the office of the superintendent of public instruction of an expenditure plan for the district's enrichment levy and other local revenues as defined in section 501 of this act. Within thirty days after receiving the plan the office of the superintendent of public instruction must notify the school district whether the spending plan is approved. If the office of the superintendent of public instruction rejects a district's proposed spending plan, then the district may submit a revised spending plan, and the superintendent must approve or reject the revised submission within thirty days. The office of the superintendent of public instruction may approve a spending plan only if it determines that the enrichment levy and other local revenues as defined in section 501(1) of this act will be used solely for permitted enrichment activities as provided in section 501(2) of this act.

(2)(a) Except as provided in (b) of this subsection, after a school district has received voter approval for a levy for an enrichment levy under RCW 84.52.053, a school district may change its spending plan for the voter-approved levy by submitting a revised spending plan to the office of the superintendent of public instruction for review and approval. To revise a previously approved spending plan, the district must provide notice and an opportunity for review and comment at an open meeting of the school board, and the board must adopt the revised spending plan by resolution. The board must then submit the plan to the office of the superintendent of public instruction. Within thirty days after receiving the revised spending plan is approved. The office of the superintendent of public instruction may approve a revised spending plan only if it determines that the enrichment levy and other local revenues as defined in section 501(1) of this act.

(b) If the superintendent has approved expenditures for specific purposes under (a) of this subsection, a district may change the relative amounts to be spent for those respective purposes for the same levy in subsequent years without having to first receive approval for the change from the office of the superintendent of public instruction if the district adopts the change as part of its annual budget proposal after a public hearing under RCW 28A.505.060.

(3) This section applies to taxes levied for collection beginning in calendar year 2020 and thereafter.

Sec. 205. RCW 28A.500.010 and 1999 c 317 s 1 are each amended to read as follows:

STATE LOCAL EFFORT ASSISTANCE FUNDING MAY BE USED FOR ENRICHMENT ONLY.

((Commencing with calendar year 2000, in addition to a school district's other general fund allocations, each eligible district shall be provided local effort assistance funds.)) The legislature intends to continue providing local effort assistance funding to school districts. Local effort assistance provides schools in property-poor districts with funding for locally determined activities that enrich the state's program of basic education, thereby enhancing equity in students' access to extracurricular activities and similar enrichments. The purpose of these funds is to mitigate the effect that above average property tax rates might have on the ability of a school district to raise local revenues to supplement the state's basic program of education. These funds serve to equalize the property tax rates that individual taxpayers would pay for such levies and to provide tax relief to taxpayers in high tax rate school districts. ((Such funds are not part of the district's basic education.))

Local effort assistance funding is not part of the state's statutory program of basic education, nor are allocations for it part of the district's basic education allocation. Beginning September 1, 2019, and subject to section 501 of this act, districts may use local effort assistance funding only to enrich the state's statutory program of basic education.

<u>NEW SECTION.</u> Sec. 206. A new section is added to chapter 28A.500 RCW to read as follows:

NEW FORMULA FOR LOCAL EFFORT ASSISTANCE.

(1) Beginning in calendar year 2019 and each calendar year thereafter, the state must provide state local effort assistance funding to supplement school district enrichment levies as provided in this section.

(2) For an eligible school district, annual local effort assistance funding is equal to the school district's maximum local effort assistance multiplied by a fraction equal to the school district's actual enrichment levy divided by the school district's maximum allowable enrichment levy.

(3) The state local effort assistance funding provided under this section is not part of the state's program of basic education deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Eligible school district" means a school district whose maximum allowable enrichment levy divided by the school district's total student enrollment in the prior school year is less than the state local effort assistance threshold.

(b) "Inflation" means inflation as defined in RCW 84.55.005.

(c) "Maximum allowable enrichment levy" means the maximum levy permitted by RCW 84.52.0531.

(d) "Maximum local effort assistance" means the school district's student enrollment in the prior school year multiplied by the difference of the state local effort assistance threshold and a school district's maximum allowable enrichment levy divided by the school district's student enrollment in the prior school year.

(e) "Prior school year" means the most recent school year completed prior to the year in which the state local effort assistance funding is to be distributed.

(f) "State local effort assistance threshold" means one thousand five hundred dollars per student, adjusted for inflation beginning in calendar year 2020.

(g) "Student enrollment" means the average annual resident full-time equivalent student enrollment.

<u>NEW SECTION.</u> Sec. 207. The following acts or parts of acts are each repealed:

REPEALERS.

(1) RCW 28A.500.020 (Definitions) and 2013 2nd sp.s. c 4 s 957, 2010 c 237 s 5, 2004 c 21 s 1, & 1999 c 317 s 2; and

(2) RCW 28A.500.030 (Allocation of state matching funds— Determination) and 2010 c 237 s 6, 2006 c 372 s 904, 2006 c 119 s 1, 2005 c 518 s 914, 2003 1st sp.s. c 25 s 912, 2002 c 317 s 4, & 1999 c 317 s 3.

Sec. 208. RCW 28A.500.050 and 2009 c 548 s 301 are each amended to read as follows:

INTENT LANGUAGE REGARDING LOCAL INVESTMENTS— DECLARED NOT TO BE PART OF BASIC EDUCATION PROGRAM—TO BE RECODIFIED IN CHAPTER 28A.150 RCW (BEA).

(1) The legislature finds that while the state has the responsibility to provide for a general and uniform system of public schools, there is also a need for some diversity in the public school system. A successful system of public education must permit some variation among school districts outside the basic education provided for by the state to respond to and reflect the unique desires of local communities. The opportunity for local communities to invest in enriched education programs promotes support for local public schools. Further, the ability of local school districts to experiment with enriched programs can inform the legislature's long-term evolution of the definition of basic education. Therefore, local levy authority remains an important component of the overall finance system in support of the public schools even though it is outside the state's obligation for basic education <u>and</u>, after September 1, 2019, is restricted to enrichment purposes under section 501 of this act.

(2) However, the value of permitting local levies must be balanced with the value of equity and fairness to students and to taxpayers, neither of whom should be unduly disadvantaged due to differences in the tax bases used to support local levies. Equity and fairness require both an equitable basis for supplemental funding outside basic education and a mechanism for property tax-poor school districts to fairly access supplemental funding. As such, local effort assistance, while also outside the state's obligation for basic education, is another important component of school finance.

<u>NEW SECTION.</u> Sec. 209. Section 202 of this act expires January 1, 2019.

<u>NEW SECTION.</u> Sec. 210. Sections 201, 203, 206, and 207 of this act take effect January 1, 2019.

<u>NEW SECTION.</u> Sec. 211. RCW 28A.500.050 is recodified as a section in chapter 28A.150 RCW.

<u>NEW SECTION.</u> Sec. 212. Section 202 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.

## PART III

## STATE PROPERTY TAX REVISIONS

Sec. 301. RCW 84.52.065 and 1991 sp.s. c 31 s 16 are each amended to read as follows:

STATE PROPERTY TAX.

(1) Except as otherwise provided in this section, subject to the limitations in RCW 84.55.010, in each year the state shall levy for collection in the following year for the support of common schools of the state a tax of three dollars and sixty cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(2)(a) In addition to the tax authorized under subsection (1) of this section, the state must levy an additional property tax for the support of common schools of the state.

(i) For taxes levied for collection in calendar years 2018 through 2021, the rate of tax is the rate necessary to bring the aggregate rate for state property tax levies levied under this subsection and subsection (1) of this section to a combined rate of two dollars and seventy cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state

adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(ii) For taxes levied for collection in calendar year 2022 and thereafter, the tax authorized under this subsection (2) is subject to the limitations of chapter 84.55 RCW.

(b) Taxes collected under this subsection (2) must be deposited into the state general fund.

(3) For taxes levied for collection in calendar years 2019 through 2021, the state property taxes levied under subsections (1) and (2) of this section are not subject to the limitations in chapter 84.55 RCW.

(4) For taxes levied for collection in calendar year 2022 and thereafter, the aggregate rate limit for state property taxes levied under subsections (1) and (2) of this section is three dollars and sixty cents per thousand dollars of assessed value upon the assessed valuation of all taxable property within the state adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue.

(5) For property taxes levied for collection in calendar years 2019 through 2021, the rate of tax levied under subsection (1) of this section is the actual rate that was levied for collection in calendar year 2018 under subsection (1) of this section.

(6) As used in this section, "the support of common schools" includes the payment of the principal and interest on bonds issued for capital construction projects for the common schools.

Sec. 302. RCW 84.55.010 and 2014 c 4 s 1 are each amended to read as follows:

STATE PROPERTY TAX AND GROWTH LIMIT.

(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  $((\frac{does [do]}{do})) \frac{do}{do}$  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 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:

(((1))) (a) New construction;

 $(((\frac{2}{2})))$  (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;

(((3))) (c) Improvements to property; and

(((4))) (d) Any increase in the assessed value of state-assessed property.

(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. 303. RCW 84.52.043 and 2017 c 196 s 11 are each amended to read as follows:

## CONFORMING AMENDMENT.

Within and subject to the limitations imposed by RCW 84.52.050 as amended, the regular ad valorem tax levies upon real and personal property by the taxing districts hereafter named are as follows:

(1) Levies of the senior taxing districts are as follows: (a) The ((levy)) levies by the state may not exceed ((three dollars and sixty cents per thousand dollars of assessed value)) the applicable aggregate rate limit specified in RCW 84.52.065 (2) or (4) adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue to be used exclusively for the support of the common schools; (b) the levy by any county may not exceed one dollar and eighty cents per thousand dollars of assessed value; (c) the levy by any road district may not exceed two dollars and twenty-five cents per thousand dollars of assessed value; and (d) the levy by any city or town may not exceed three dollars and thirty-seven and one-half cents per thousand dollars of assessed value. However any county is hereby authorized to increase its levy from one dollar and eighty cents to a rate not to exceed two dollars and fortyseven and one-half cents per thousand dollars of assessed value for general county purposes if the total levies for both the county and any road district within the county do not exceed four dollars and five cents per thousand dollars of assessed value, and no other taxing district has its levy reduced as a result of the increased county levy.

(2) The aggregate levies of junior taxing districts and senior taxing districts, other than the state, may not exceed five dollars and ninety cents per thousand dollars of assessed valuation. The term "junior taxing districts" includes all taxing districts other than the state, counties, road districts, cities, towns, port districts, and public utility districts. The limitations provided in this subsection do not apply to: (a) Levies at the rates provided by existing law by or for any port or public utility district; (b) excess property tax levies authorized in Article VII, section 2 of the state Constitution; (c) levies for acquiring conservation futures as authorized under RCW 84.34.230; (d) levies for emergency medical care or emergency medical services imposed under RCW 84.52.069; (e) levies to finance affordable housing for very low-income housing imposed under RCW 84.52.105; (f) the portions of levies by metropolitan park districts that are protected under RCW 84.52.120; (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies for criminal justice purposes under RCW 84.52.135; (i) the portions of levies by fire protection districts and regional fire protection service authorities that are protected under RCW 84.52.125; (j) levies by counties for transit-related purposes under RCW 84.52.140; (k) the protected portion of the levies imposed under RCW 86.15.160 by flood control zone districts in a county with a population of seven hundred seventy-five thousand or more that are coextensive with a county; and (1) levies imposed by a regional transit authority under RCW 81.104.175.

Sec. 304. RCW 84.52.043 and 2017 c 196 s 12 are each amended to read as follows:

CONFORMING AMENDMENT.

Within and subject to the limitations imposed by RCW 84.52.050 as amended, the regular ad valorem tax levies upon real and personal property by the taxing districts hereafter named are as follows:

(1) Levies of the senior taxing districts are as follows: (a) The ((levy)) levies by the state may not exceed ((three dollars and sixty cents per thousand dollars of assessed value)) the applicable aggregate rate limit specified in RCW 84.52.065 (2) or (4) adjusted to the state equalized value in accordance with the indicated ratio fixed by the state department of revenue to be used exclusively for the support of the common schools; (b) the levy by any county may not exceed one dollar and eighty cents per thousand dollars of assessed value; (c) the levy by any road district may not exceed two dollars and twenty-five cents per thousand dollars of assessed value; and (d) the levy by any city or town may not exceed three dollars and thirty-seven and one-half cents per thousand dollars of assessed value. However any county is hereby authorized to increase its levy from one dollar and eighty cents to a rate not to exceed two dollars and fortyseven and one-half cents per thousand dollars of assessed value for general county purposes if the total levies for both the county and any road district within the county do not exceed four dollars and five cents per thousand dollars of assessed value, and no other taxing district has its levy reduced as a result of the increased county levy.

(2) The aggregate levies of junior taxing districts and senior taxing districts, other than the state, may not exceed five dollars and ninety cents per thousand dollars of assessed valuation. The term "junior taxing districts" includes all taxing districts other than the state, counties, road districts, cities, towns, port districts, and public utility districts. The limitations provided in this subsection do not apply to: (a) Levies at the rates provided by existing law by or for any port or public utility district; (b) excess property tax levies authorized in Article VII, section 2 of the state Constitution; (c) levies for acquiring conservation futures as authorized under RCW 84.34.230; (d) levies for emergency medical care or emergency medical services imposed under RCW 84.52.069; (e) levies to finance affordable housing for very low-income housing imposed under RCW 84.52.105; (f) the portions of levies by metropolitan park districts that are protected under RCW 84.52.120; (g) levies imposed by ferry districts under RCW 36.54.130; (h) levies for criminal justice purposes under RCW 84.52.135; (i) the portions of levies by fire protection districts and regional fire protection service authorities that are protected under RCW 84.52.125; (j) levies by counties for transit-related purposes under RCW 84.52.140; (k) the portion of the levy by flood control zone districts that are protected under RCW 84.52.816; and (1) levies imposed by a regional transit authority under RCW 81.104.175.

Sec. 305. RCW 84.48.080 and 2008 c 86 s 502 are each amended to read as follows:

#### CONFORMING AMENDMENT.

(1) Annually during the months of September and October, the department of revenue shall examine and compare the returns of the assessment of the property in the several counties of the state, and the assessment of the property of railroad and other companies assessed by the department, and proceed to equalize the same, so that each county in the state shall pay its due and just proportion of the taxes for state purposes for such assessment year, according to the ratio the valuation of the property in each county bears to the total valuation of all property in the state.

(a) The department shall classify all property, real and personal, and shall raise and lower the valuation of any class of property in any county to a value that shall be equal, so far as possible, to the true and fair value of such class as of January 1st of the current year for the purpose of ascertaining the just amount of tax due from each county for state purposes. In equalizing personal property as of January 1st of the current year, the department shall use valuation data with respect to personal property from the three years immediately preceding the current assessment year in a manner it deems appropriate. Such classification may be on the basis of types of property, geographical areas, or both. For purposes of this section, for each county that has not provided the department with an assessment return by December 1st, the department shall proceed, using facts and information and in a manner it deems appropriate, to estimate the value of each class of property in the county.

(b) The department shall keep a full record of its proceedings and the same shall be published annually by the department.

(2) The department shall levy the state taxes authorized by law. The amount levied in any one year for general state purposes shall not exceed the lawful dollar rate on the dollar of the assessed value of the property of the entire state, which assessed value shall be one hundred percent of the true and fair value of the property in money.

(a) The department shall apportion the amount of tax for state purposes levied <u>under RCW 84.52.065 (1) and (2)</u> by the department, among the several counties, in proportion to the valuation of the taxable property of the county for the year as equalized by the department((: <u>PROVIDED</u>, <u>That</u>)); however, for purposes of this apportionment, the department shall recompute the previous year's ((<del>levy</del>)) <u>levies imposed under RCW 84.52.065 (1) and (2)</u> and the apportionment thereof to correct for changes and errors in taxable values reported to the department after October 1 of the preceding year and shall adjust the apportioned amount of the current year's state levy <u>under RCW 84.52.065 (1) and (2)</u> for each county by the difference between the apportioned amounts established by the original and revised levy computations for the previous ((<del>year</del>)) <u>year's levies under RCW 84.52.065 (1) and (2)</u>.

(b) For purposes of this section, changes in taxable values mean a final adjustment made by a county board of equalization, the state board of tax appeals, or a court of competent jurisdiction and shall include additions of omitted property, other additions or deletions from the assessment or tax rolls, any assessment return provided by a county to the department subsequent to December 1st, or a change in the indicated ratio of a county. Errors in taxable values mean errors corrected by a final reviewing body.

(3) The department (( $\frac{\text{shall have}}{\text{have}}$ )) has authority to adopt rules and regulations to enforce obedience to its orders in all matters in relation to the returns of county assessments, the equalization of values, and the apportionment of the state levy by the department.

(4) After the completion of the duties prescribed in this section, the director of the department shall certify the record of the proceedings of the department under this section, the tax levies made for state purposes and the apportionment

thereof among the counties, and the certification shall be available for public inspection.

Sec. 306. RCW 84.48.110 and 1994 c 301 s 44 and 1994 c 124 s 32 are each reenacted and amended to read as follows:

CONFORMING AMENDMENT.

After certifying the record of the proceedings of the department in accordance with RCW 84.48.080, the department shall transmit to each county assessor a copy of the record of the proceedings of the department, specifying the amount to be levied and collected for state purposes for such year, and in addition thereto it shall certify to each county assessor the amount due to each state fund and unpaid from such county for the fifth preceding year, and such delinquent state taxes shall be added to the amount levied for the current year. The department shall close the account of each county for the fifth preceding year and charge the amount of such delinquency to the tax ((<del>levy</del>)) levies of the current year. These delinquent taxes ((<del>shall not be</del>)) <u>are not</u> subject to chapter 84.55 RCW. All taxes collected on and after the first day of July last preceding such certificate, on account of delinquent state taxes for the fifth preceding year shall belong to the county and by the county treasurer be credited to the current expense fund of the county in which collected.

Sec. 307. RCW 84.52.070 and 2010 c 106 s 313 are each amended to read as follows:

CONFORMING AMENDMENT.

(1) It is the duty of the county legislative authority of each county, on or before the thirtieth day of November in each year, to certify to the county assessor the amount of taxes levied upon the property in the county for county purposes, and the respective amounts of taxes levied by the board for each taxing district, within or coextensive with the county, for district purposes.

(2) It is the duty of the council of each city having a population of three hundred thousand or more, and of the council of each town, and of all officials or boards of taxing districts within or coextensive with the county, authorized by law to levy taxes directly and not through the county legislative authority, on or before the thirtieth day of November in each year, to certify to the county assessor the amount of taxes levied upon the property within the city, town, or district for city, town, or district purposes.

(3) If a levy amount is certified to the county assessor after the thirtieth day of November, the county assessor may use no more than the certified levy amount for the previous year for the taxing district. This subsection (3) does not apply to ((the)) state ((levy)) levies or when the assessor has not certified assessed values as required by RCW 84.48.130 at least twelve working days before November 30th.

Sec. 308. RCW 84.55.070 and 2009 c 350 s 11 are each amended to read as follows:

CONFORMING AMENDMENT.

The provisions of this chapter do not apply to a levy, including ((the)) any state levy, or that portion of a levy, made by or for a taxing district:

(1) For the purpose of funding a property tax refund paid under the provisions of chapter 84.68 RCW;

(2) Under RCW 84.69.180; or

(3) Attributable to amounts of state taxes withheld under RCW 84.56.290 or the provisions of chapter 84.69 RCW, or otherwise attributable to state taxes lawfully owing by reason of adjustments made under RCW 84.48.080.

**Sec. 309.** RCW 84.55.092 and 2017 c 328 s 3 and 2017 c 196 s 3 are each reenacted and amended to read as follows:

CONFORMING AMENDMENT.

(1) The regular property tax levy for each taxing district other than the ((state)) state's levies may be set at the amount which would be allowed otherwise under this chapter if the regular property tax levy for the district for taxes due in prior years beginning with 1986 had been set at the full amount allowed under this chapter including any levy authorized under RCW 52.16.160 or 52.26.140(1)(c) that would have been imposed but for the limitation in RCW 52.18.065 or 52.26.240, applicable upon imposition of the benefit charge under chapter 52.18 or 52.26 RCW.

(2) The purpose of subsection (1) of this section is to remove the incentive for a taxing district to maintain its tax levy at the maximum level permitted under this chapter, and to protect the future levy capacity of a taxing district that reduces its tax levy below the level that it otherwise could impose under this chapter, by removing the adverse consequences to future levy capacities resulting from such levy reductions.

(3) Subsection (1) of this section does not apply to any portion of a city or town's regular property tax levy that has been reduced as part of the formation of a fire protection district under RCW 52.02.--- (section 1, chapter 328, Laws of 2017).

Sec. 310. RCW 84.69.020 and 2005 c 502 s 9 are each amended to read as follows:

CONFORMING AMENDMENT.

On the order of the county treasurer, ad valorem taxes paid before or after delinquency ((shall)) must be refunded if they were:

(1) Paid more than once;

- (2) Paid as a result of manifest error in description;
- (3) Paid as a result of a clerical error in extending the tax rolls;
- (4) Paid as a result of other clerical errors in listing property;

(5) Paid with respect to improvements which did not exist on assessment date;

(6) Paid under levies or statutes adjudicated to be illegal or unconstitutional;

(7) Paid as a result of mistake, inadvertence, or lack of knowledge by any person exempted from paying real property taxes or a portion thereof pursuant to RCW 84.36.381 through 84.36.389, as now or hereafter amended;

(8) Paid as a result of mistake, inadvertence, or lack of knowledge by either a public official or employee or by any person with respect to real property in which the person paying the same has no legal interest;

(9) Paid on the basis of an assessed valuation which was appealed to the county board of equalization and ordered reduced by the board;

(10) Paid on the basis of an assessed valuation which was appealed to the state board of tax appeals and ordered reduced by the board: PROVIDED, That the amount refunded under subsections (9) and (10) of this section shall only be

for the difference between the tax paid on the basis of the appealed valuation and the tax payable on the valuation adjusted in accordance with the board's order;

(11) Paid as a state property tax levied upon property, the assessed value of which has been established by the state board of tax appeals for the year of such levy: PROVIDED, HOWEVER, That the amount refunded shall only be for the difference between the state property tax paid and the amount of state property tax which would, when added to all other property taxes within the one percent limitation of Article VII, section 2 of the state Constitution equal one percent of the assessed value established by the board;

(12) Paid on the basis of an assessed valuation which was adjudicated to be unlawful or excessive: PROVIDED, That the amount refunded shall be for the difference between the amount of tax which was paid on the basis of the valuation adjudged unlawful or excessive and the amount of tax payable on the basis of the assessed valuation determined as a result of the proceeding;

(13) Paid on property acquired under RCW 84.60.050, and canceled under RCW 84.60.050(2);

(14) Paid on the basis of an assessed valuation that was reduced under RCW 84.48.065;

(15) Paid on the basis of an assessed valuation that was reduced under RCW 84.40.039; or

(16) Abated under RCW 84.70.010.

No refunds under the provisions of this section shall be made because of any error in determining the valuation of property, except as authorized in subsections (9), (10), (11), and (12) of this section nor may any refunds be made if a bona fide purchaser has acquired rights that would preclude the assessment and collection of the refunded tax from the property that should properly have been charged with the tax. Any refunds made on delinquent taxes ((shall)) must include the proportionate amount of interest and penalties paid. However, no refunds as a result of an incorrect payment authorized under subsection (8) of this section made by a third party payee shall be granted. The county treasurer may deduct from moneys collected for the benefit of the state's ((levy)) levies, refunds of the ((state levy)) state's levies including interest on the ((levy)) levies as provided by this section and chapter 84.68 RCW.

The county treasurer of each county ((shall)) <u>must</u> make all refunds determined to be authorized by this section, and by the first Monday in February of each year, report to the county legislative authority a list of all refunds made under this section during the previous year. The list is to include the name of the person receiving the refund, the amount of the refund, and the reason for the refund.

Sec. 311. RCW 84.36.381 and 2015 3rd sp.s. c 30 s 2 are each amended to read as follows:

SENIOR CITIZEN PROPERTY TAX RELIEF PROGRAM.

A person is exempt from any legal obligation to pay all or a portion of the amount of excess and regular real property taxes due and payable in the year following the year in which a claim is filed, and thereafter, in accordance with the following:

(1) The property taxes must have been imposed upon a residence which was occupied by the person claiming the exemption as a principal place of residence as of the time of filing. However, any person who sells, transfers, or is displaced

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replacement residence, but no claimant may receive an exemption status to a replacement residence, but no claimant may receive an exemption on more than one residence in any year. Moreover, confinement of the person to a hospital, nursing home, assisted living facility, or adult family home does not disqualify the claim of exemption if:

(a) The residence is temporarily unoccupied;

(b) The residence is occupied by a spouse or a domestic partner and/or a person financially dependent on the claimant for support; or

(c) The residence is rented for the purpose of paying nursing home, hospital, assisted living facility, or adult family home costs;

(2) The person claiming the exemption must have owned, at the time of filing, in fee, as a life estate, or by contract purchase, the residence on which the property taxes have been imposed or if the person claiming the exemption lives in a cooperative housing association, corporation, or partnership, such person must own a share therein representing the unit or portion of the structure in which he or she resides. For purposes of this subsection, a residence owned by a marital community or state registered domestic partnership or owned by cotenants is deemed to be owned by each spouse or each domestic partner or each cotenant, and any lease for life is deemed a life estate;

(3)(a) The person claiming the exemption must be:

(i) Sixty-one years of age or older on December 31st of the year in which the exemption claim is filed, or must have been, at the time of filing, retired from regular gainful employment by reason of disability; or

(ii) A veteran of the armed forces of the United States entitled to and receiving compensation from the United States department of veterans affairs at a total disability rating for a service-connected disability.

(b) However, any surviving spouse or surviving domestic partner of a person who was receiving an exemption at the time of the person's death will qualify if the surviving spouse or surviving domestic partner is fifty-seven years of age or older and otherwise meets the requirements of this section;

(4) The amount that the person is exempt from an obligation to pay is calculated on the basis of combined disposable income, as defined in RCW 84.36.383. If the person claiming the exemption was retired for two months or more of the assessment year, the combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person during the months such person was retired by twelve. If the income of the person claiming exemption is reduced for two or more months of the assessment year by reason of the death of the person's spouse or the person's domestic partner, or when other substantial changes occur in disposable income that are likely to continue for an indefinite period of time, the combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person must be calculated by multiplying the average monthly combined disposable income of such person for an indefinite period of time, the combined disposable income of such person for such person after such occurrences by twelve. If it is necessary to estimate income to comply with this subsection, the assessor may require confirming documentation of such income prior to May 31 of the year following application;

(5)(a) A person who otherwise qualifies under this section and has a combined disposable income of forty thousand dollars or less is exempt from all excess property taxes <u>and the additional state property tax imposed under RCW</u> <u>84.52.065(2)</u>; and

(b)(i) A person who otherwise qualifies under this section and has a combined disposable income of thirty-five thousand dollars or less but greater than thirty thousand dollars is exempt from all regular property taxes on the greater of fifty thousand dollars or thirty-five percent of the valuation of his or her residence, but not to exceed seventy thousand dollars of the valuation of his or her residence; or

(ii) A person who otherwise qualifies under this section and has a combined disposable income of thirty thousand dollars or less is exempt from all regular property taxes on the greater of sixty thousand dollars or sixty percent of the valuation of his or her residence;

(6)(a) For a person who otherwise qualifies under this section and has a combined disposable income of forty thousand dollars or less, the valuation of the residence is the assessed value of the residence on the later of January 1, 1995, or January 1st of the assessment year the person first qualifies under this section. If the person subsequently fails to qualify under this section only for one year because of high income, this same valuation must be used upon requalification. If the person fails to qualify for more than one year in succession because of high income or fails to qualify for any other reason, the valuation upon requalification is the assessed value on January 1st of the assessment year in which the person requalifies. If the person transfers the exemption under this section to a different residence, the valuation of the different residence is the assessed value of the different residence on January 1st of the assessment year in which the person transfers the exemption under this section to a different residence.

(b) In no event may the valuation under this subsection be greater than the true and fair value of the residence on January 1st of the assessment year.

(c) This subsection does not apply to subsequent improvements to the property in the year in which the improvements are made. Subsequent improvements to the property must be added to the value otherwise determined under this subsection at their true and fair value in the year in which they are made.

Sec. 312. RCW 84.36.630 and 2014 c 140 s 28 are each amended to read as follows:

FARM MACHINERY AND EQUIPMENT EXEMPTION.

(1) All machinery and equipment owned by a farmer that is personal property is exempt from property taxes levied for any state purpose, including the additional state property tax imposed under RCW 84.52.065(2), if it is used exclusively in growing and producing agricultural products during the calendar year for which the claim for exemption is made.

(2) "Farmer" and "agricultural product" have the same meaning as defined in RCW 82.04.213.

(3) A claim for exemption under this section must be filed with the county assessor together with the statement required under RCW 84.40.190, for exemption from taxes payable the following year. The claim must be made solely upon forms as prescribed and furnished by the department of revenue.

Sec. 313. RCW 84.52.067 and 2009 c 479 s 73 are each amended to read as follows:

((All)) <u>Property taxes levied by the state under RCW 84.52.065(1)</u> for the support of common schools ((shall)) <u>must</u> be paid into the general fund of the

state treasury as provided in RCW 84.56.280. <u>Property taxes levied by the state</u> under RCW 84.52.065(2) for the support of common schools shall be paid into the state general fund in the state treasury as provided in RCW 84.52.065(2) of this act.

Sec. 314. RCW 84.52.825 and 2013 2nd sp.s. c 13 s 1721 are each amended to read as follows:

(1) See RCW 82.32.805 for the expiration date of new tax preferences for the  $((\frac{\tan}{2}))$  taxes imposed under RCW 84.52.065.

(2) See RCW 82.32.808 for reporting requirements for any new tax preference for the  $((\frac{\tan x}{2}))$  taxes imposed under RCW 84.52.065.

Sec. 315. RCW 79.64.110 and 2017 c 248 s 6 are each amended to read as follows:

(1) Any moneys derived from the lease of state forestlands or from the sale of valuable materials, oils, gases, coal, minerals, or fossils from those lands, except as provided in RCW 79.64.--- (section 3, chapter 248, Laws of 2017), or the appraised value of these resources when transferred to a public agency under RCW 79.22.060, except as provided in RCW 79.22.060(4), must be distributed as follows:

(a) For state forestlands acquired through RCW 79.22.040 or by exchange for lands acquired through RCW 79.22.040:

(i) The expense incurred by the state for administration, reforestation, and protection, not to exceed twenty-five percent, which rate of percentage shall be determined by the board, must be returned to the forest development account created in RCW 79.64.100. During the 2015-2017 fiscal biennium, the board may increase the twenty-five percent limitation up to twenty-seven percent.

(ii) Any balance remaining must be paid to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board. Payments made under this subsection are to be paid, distributed, and prorated, except as otherwise provided in this section, to the various funds in the same manner as general taxes are paid and distributed during the year of payment.

(iii) Any balance remaining, paid to a county with a population of less than sixteen thousand, must first be applied to the reduction of any indebtedness existing in the current expense fund of the county during the year of payment.

(iv) With regard to moneys remaining under this subsection (1)(a), within seven working days of receipt of these moneys, the department shall certify to the state treasurer the amounts to be distributed to the counties. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date.

(b) For state forestlands acquired through RCW 79.22.010 or by exchange for lands acquired through RCW 79.22.010, except as provided in RCW 79.64.120:

(i) Fifty percent shall be placed in the forest development account.

(ii) Fifty percent shall be prorated and distributed to the state general fund, to be dedicated for the benefit of the public schools, to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset

value to the land pool as determined by the board, and according to the relative proportions of tax levies of all taxing districts in the county. The portion to be distributed to the state general fund shall be based on the regular school levy rate under RCW 84.52.065 (1) and (2) and the levy rate for any maintenance and operation special school levies. With regard to the portion to be distributed to the counties, the department shall certify to the state treasurer the amounts to be distributed within seven working days of receipt of the money. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date. The money distributed to the county must be paid, distributed, and prorated to the various other funds in the same manner as general taxes are paid and distributed during the year of payment.

(2) A school district may transfer amounts deposited in its debt service fund pursuant to this section into its capital projects fund as authorized in RCW 28A.320.330.

<u>NEW SECTION.</u> Sec. 316. APPLICATION OF RCW 82.32.805 AND 82.32.808. RCW 82.32.805 and 82.32.808 do not apply to sections 301 through 314, chapter . . ., Laws of 2017 3rd sp. sess. (sections 301 through 314 of this act).

<u>NEW SECTION.</u> Sec. 317. Sections 301 through 314 of this act apply beginning with taxes levied for collection in 2018 and thereafter.

NEW SECTION. Sec. 318. Section 303 of this act expires January 1, 2018.

<u>NEW SECTION.</u> Sec. 319. Section 304 of this act takes effect January 1, 2018.

## PART IV

# **PROGRAM OF BASIC EDUCATION**

Sec. 401. RCW 28A.150.200 and 2009 c 548 s 101 are each amended to read as follows:

FUNDING ELEMENTS OF THE BASIC EDUCATION PROGRAM.

(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 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; ((and))

(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.

Sec. 402. RCW 28A.150.260 and 2014 c 217 s 206 are each amended to read as follows:

PROTOTYPICAL SCHOOL MODEL—ENHANCEMENTS TO CATEGORICAL PROGRAMS AND CTE—PER-PUPIL FUNDING REPORTS REQUIRED.

The purpose of this section is to provide for the allocation of state funding that the legislature deems necessary to support school districts in offering the minimum instructional program of basic education under RCW 28A.150.220. The allocation shall be determined as follows:

(1) The governor shall and the superintendent of public instruction may recommend to the legislature a formula for the distribution of a basic education instructional allocation for each common school district.

(2)(a) The distribution formula under this section shall be for allocation purposes only. Except as may be required under subsections (4)(b) and (c) and (9) of this section, chapter 28A.155, 28A.165, 28A.180, or 28A.185 RCW, or federal laws and regulations, nothing in this section requires school districts to use basic education instructional funds to implement a particular instructional approach or service. Nothing in this section requires school districts to maintain a particular classroom teacher-to-student ratio or other staff-to-student ratio or to use allocated funds to pay for particular types or classifications of staff. Nothing in this section entitles an individual teacher to a particular teacher planning period.

(b) To promote transparency in state funding allocations, the superintendent of public instruction must report state per-pupil allocations for each school district for the general apportionment, special education, learning assistance, transitional bilingual, highly capable, and career and technical education programs. The superintendent must also report state general apportionment perpupil allocations by grade for each school district. The superintendent must report this information in a user-friendly format on the main page of the office's web site and on school district apportionment reports. School districts must include a link to the superintendent's per-pupil allocations report on the main page of the school district's web site. In addition, the budget documents published by the legislature for the enacted omnibus operating appropriations act must report statewide average per-pupil allocations for general apportionment and the categorical programs listed in this subsection.

(3)(a) To the extent the technical details of the formula have been adopted by the legislature and except when specifically provided as a school district allocation, the distribution formula for the basic education instructional allocation shall be based on minimum staffing and nonstaff costs the legislature deems necessary to support instruction and operations in prototypical schools serving high, middle, and elementary school students as provided in this section. The use of prototypical schools for the distribution formula does not constitute legislative intent that schools should be operated or structured in a similar fashion as the prototypes. Prototypical schools illustrate the level of resources needed to operate a school of a particular size with particular types and grade levels of students using commonly understood terms and inputs, such as class size, hours of instruction, and various categories of school staff. It is the intent that the funding allocations to school districts be adjusted from the school prototypes based on the actual number of annual average full-time equivalent students in each grade level at each school in the district and not based on the grade-level configuration of the school to the extent that data is available. The allocations shall be further adjusted from the school prototypes with minimum allocations for small schools and to reflect other factors identified in the omnibus appropriations act.

(b) For the purposes of this section, prototypical schools are defined as follows:

(i) A prototypical high school has six hundred average annual full-time equivalent students in grades nine through twelve;

(ii) A prototypical middle school has four hundred thirty-two average annual full-time equivalent students in grades seven and eight; and

(iii) A prototypical elementary school has four hundred average annual fulltime equivalent students in grades kindergarten through six.

(4)(a)(i) The minimum allocation for each level of prototypical school shall be based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum required annual instructional hours under RCW 28A.150.220 and provide at least one teacher planning period per school day, and based on the following general education average class size of full-time equivalent students per teacher:

	General education
	average class size
Grades K-3	$\dots ((\overline{25.23})) \underline{17.00}$
Grade 4	
Grades 5-6	
Grades 7-8	
Grades 9-12	

(ii) The minimum class size allocation for each prototypical high school shall also provide for enhanced funding for class size reduction for two laboratory science classes within grades nine through twelve per full-time equivalent high school student multiplied by a laboratory science course factor of 0.0833, based on the number of full-time equivalent classroom teachers needed to provide instruction over the minimum required annual instructional hours in RCW 28A.150.220, and providing at least one teacher planning period per school day:

	Laboratory science
	average class size
Grades 9-12	

(b) ((During the 2011-2013 biennium and beginning with schools with the highest percentage of students eligible for free and reduced-price meals in the prior school year, the general education average class size for grades K-3 shall be reduced until the average class size funded under this subsection (4) is no more than 17.0 full-time equivalent students per teacher beginning in the 2017-18 school year.)) (i) Beginning September 1, 2018, funding for average K-3 class sizes in this subsection (4) may be provided only to the extent of, and proportionate to, the school district's demonstrated actual class size in grades K-3, up to the funded class sizes.

(ii) The office of the superintendent of public instruction shall develop rules to implement this subsection (4)(b).

(c)(i) The minimum allocation for each prototypical middle and high school shall also provide for full-time equivalent classroom teachers based on the following number of full-time equivalent students per teacher in career and technical education:

	Career and technical
	education average
	class size
Approved career and technical education offered at	
the middle school and high school level	(( <del>26.57</del> )) <u>23.00</u>
Skill center programs meeting the standards established	
by the office of the superintendent of public	
instruction	$\dots ((\frac{22.76}{})) \underline{20.00}$

(ii) Funding allocated under this subsection (4)(c) is subject to section 409 of this act.

(d) In addition, the omnibus appropriations act shall at a minimum specify:

(i) A high-poverty average class size in schools where more than fifty percent of the students are eligible for free and reduced-price meals; and

(ii) A specialty average class size for advanced placement and international baccalaureate courses.

(5) The minimum allocation for each level of prototypical school shall include allocations for the following types of staff in addition to classroom teachers:

	Elementary School	Middle School	High School
Principals, assistant principals, and other certificated building-level administrators	1.253	1.353	1.880
Teacher librarians, a function that includes information literacy, technology, and media to support school library media programs	0.663	0.519	0.523
Health and social services:			
School nurses	0.076	0.060	0.096
Social workers	0.042	0.006	0.015

Psychologists	0.017	0.002	0.007
Guidance counselors, a function that includes parent outreach and graduation advising	0.493	(( <del>1.116</del> )) <u>1.216</u>	2.539
Teaching assistance, including any aspect of educational instructional services provided by classified employees	0.936	0.700	0.652
Office support and other noninstructional aides	2.012	2.325	3.269
Custodians	1.657	1.942	2.965
Classified staff providing student and staff safety	0.079	0.092	0.141
Parent involvement coordinators	(( <del>0.00</del> )) <u>0.0825</u>	0.00	0.00

(6)(a) The minimum staffing allocation for each school district to provide district-wide support services shall be allocated per one thousand annual average full-time equivalent students in grades K-12 as follows:

S	Staff per 1,000
	K-12 students
Technology	0.628
Facilities, maintenance, and grounds	1.813
Warehouse, laborers, and mechanics	

(b) The minimum allocation of staff units for each school district to support certificated and classified staffing of central administration shall be 5.30 percent of the staff units generated under subsections (4)(a) ((and (b))) and (5) of this section and (a) of this subsection.

(7) The distribution formula shall include staffing allocations to school districts for career and technical education and skill center administrative and other school-level certificated staff, as specified in the omnibus appropriations act.

(8)(a) Except as provided in (b) ((and (e))) of this subsection, the minimum allocation for each school district shall include allocations per annual average full-time equivalent student for the following materials, supplies, and operating costs((, to be adjusted for inflation from the 2008-09 school year:

Per annual average
full-time equivalent student
in grades K-12
Technology
Utilities and insurance
Curriculum and textbooks\$58.44
Other supplies and library materials
Instructional professional development for certified and
elassified staff\$9.04
Facilities maintenance
Security and central office\$50.76

(b) During the 2011-2013 biennium, the minimum allocation for maintenance, supplies, and operating costs shall be increased as specified in the

omnibus appropriations act. The following allocations, adjusted for inflation from the 2007-08 school year, are)) as provided in the ((2015-16)) 2017-18 school year, after which the allocations shall be adjusted annually for inflation as specified in the omnibus appropriations act:

Per annual average
full-time equivalent student
in grades K-12
Technology
Utilities and insurance
Curriculum and textbooks
Other supplies and library materials $((\frac{259.39}{2}))$ $(\frac{2298.05}{2})$
Instructional professional development for certificated and
classified staff
Facilities maintenance
Security and central office administration

(((e))) (b) In addition to the amounts provided in (a) ((and - (b))) of this subsection, beginning in the 2014-15 school year, the omnibus appropriations act shall provide the following minimum allocation for each annual average full-time equivalent student in grades nine through twelve for the following materials, supplies, and operating costs, to be adjusted annually for inflation:

	Per annual average
fu	ll-time equivalent student
	in grades 9-12
Technology	\$36.35
Curriculum and textbooks.	\$39.02
Other supplies and library materials	
Instructional professional development for certificated	and
classified staff	\$6.04

(9) In addition to the amounts provided in subsection (8) of this section and subject to section 409 of this act, the omnibus appropriations act shall provide an amount based on full-time equivalent student enrollment in each of the following:

(a) Exploratory career and technical education courses for students in grades seven through twelve;

(b) Preparatory career and technical education courses for students in grades nine through twelve offered in a high school; and

(c) Preparatory career and technical education courses for students in grades eleven and twelve offered through a skill center.

(10) In addition to the allocations otherwise provided under this section, amounts shall be provided to support the following programs and services:

(a)(i) To provide supplemental instruction and services for ((underachieving)) students who are not meeting academic standards through the learning assistance program under RCW 28A.165.005 through 28A.165.065, allocations shall be based on the district percentage of students in grades K-12 who were eligible for free or reduced-price meals in the prior school year. The minimum allocation for the program shall provide for each level of prototypical school resources to provide, on a statewide average, ((1.5156)) 2.3975 hours per

week in extra instruction with a class size of fifteen learning assistance program students per teacher.

(ii) In addition to funding allocated under (a)(i) of this subsection, to provide supplemental instruction and services for students who are not meeting academic standards in schools where at least fifty percent of students are eligible for free and reduced-price meals. The minimum allocation for this additional high poverty-based allocation must provide for each level of prototypical school resources to provide, on a statewide average, 1.1 hours per week in extra instruction with a class size of fifteen learning assistance program students per teacher, under RCW 28A.165.055, school districts must distribute the high poverty-based allocation to the schools that generated the funding allocation.

(b)(i) To provide supplemental instruction and services for students whose primary language is other than English, allocations shall be based on the head count number of students in each school who are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080. The minimum allocation for each level of prototypical school shall provide resources to provide, on a statewide average, 4.7780 hours per week in extra instruction for students in grades kindergarten through six and 6.7780 hours per week in extra instruction for students in grades seven through twelve, with fifteen transitional bilingual instruction program students per teacher. Notwithstanding other provisions of this subsection (10), the actual perstudent allocation may be scaled to provide a larger allocation for students needing more intensive intervention and a commensurate reduced allocation for students needing less intensive intervention, as detailed in the omnibus appropriations act.

(ii) To provide supplemental instruction and services for students who have exited the transitional bilingual program, allocations shall be based on the head count number of students in each school who have exited the transitional bilingual program within the previous two years based on their performance on the English proficiency assessment and are eligible for and enrolled in the transitional bilingual instruction program under RCW 28A.180.040(1)(g). The minimum allocation for each prototypical school shall provide resources to provide, on a statewide average, 3.0 hours per week in extra instruction with fifteen exited students per teacher.

(c) To provide additional allocations to support programs for highly capable students under RCW 28A.185.010 through 28A.185.030, allocations shall be based on ((two and three hundred fourteen one thousandths)) <u>5.0</u> percent of each school district's full-time equivalent basic education enrollment. The minimum allocation for the programs shall provide resources to provide, on a statewide average, 2.1590 hours per week in extra instruction with fifteen highly capable program students per teacher.

(11) The allocations under subsections (4)(a) ((and (b)))), (5), (6), and (8) of this section shall be enhanced as provided under RCW 28A.150.390 on an excess cost basis to provide supplemental instructional resources for students with disabilities.

(12)(a) For the purposes of allocations for prototypical high schools and middle schools under subsections (4) and (10) of this section that are based on the percent of students in the school who are eligible for free and reduced-price meals, the actual percent of such students in a school shall be adjusted by a

factor identified in the omnibus appropriations act to reflect underreporting of free and reduced-price meal eligibility among middle and high school students.

(b) Allocations or enhancements provided under subsections (4), (7), and (9) of this section for exploratory and preparatory career and technical education courses shall be provided only for courses approved by the office of the superintendent of public instruction under chapter 28A.700 RCW.

(13)(a) This formula for distribution of basic education funds shall be reviewed biennially by the superintendent and governor. The recommended formula shall be subject to approval, amendment or rejection by the legislature.

(b) In the event the legislature rejects the distribution formula recommended by the governor, without adopting a new distribution formula, the distribution formula for the previous school year shall remain in effect.

(c) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the first school day of each month, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. The definition of full-time equivalent student shall be determined by rules of the superintendent of public instruction and shall be included as part of the superintendent's biennial budget request. The definition shall be based on the minimum instructional hour offerings required under RCW 28A.150.220. Any revision of the present definition shall not take effect until approved by the house ways and means committee and the senate ways and means committee.

(d) The office of financial management shall make a monthly review of the superintendent's reported full-time equivalent students in the common schools in conjunction with RCW 43.62.050.

Sec. 403. RCW 28A.165.005 and 2013 2nd sp.s. c 18 s 201 are each amended to read as follows:

LEARNING ASSISTANCE PROGRAM.

(1) This chapter is designed to: (a) Promote the use of data when developing programs to assist ((underachieving)) students who are not meeting academic standards and reduce disruptive behaviors in the classroom; and (b) guide school districts in providing the most effective and efficient practices when implementing supplemental instruction and services to assist ((underachieving)) students who are not meeting academic standards and reduce disruptive behaviors in the classroom.

(2) School districts implementing a learning assistance program shall focus first on addressing the needs of students in grades kindergarten through four who are deficient in reading or reading readiness skills to improve reading literacy.

Sec. 404. RCW 28A.165.015 and 2013 2nd sp.s. c 18 s 202 are each amended to read as follows:

LAP DEFINITIONS.

Unless the context clearly indicates otherwise the definitions in this section apply throughout this chapter.

(1) "Basic skills areas" means reading, writing, and mathematics as well as readiness associated with these skills.

(2) "Participating student" means a student in kindergarten through grade twelve who scores below standard for his or her grade level using multiple

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measures of performance, including on the statewide student assessments or other assessments and performance measurement tools administered by the school or district and who is identified by the district to receive services.

(3) "Statewide student assessments" means one or more of the assessments administered by school districts as required under RCW 28A.655.070.

(4) (("Underachieving students")) "Students who are not meeting academic standards" means students with the greatest academic deficits in basic skills as identified by statewide, school, or district assessments or other performance measurement tools.

Sec. 405. RCW 28A.165.055 and 2013 2nd sp.s. c 18 s 205 are each amended to read as follows:

HIGH POVERTY-BASED LAP ALLOCATION.

(1) The funds for the learning assistance program shall be appropriated in accordance with RCW 28A.150.260 and the omnibus appropriations act. The distribution formula is for school district allocation purposes only. except as provided in RCW 28A.150.260(10)(a)(ii), but all funds appropriated for the learning assistance program must be expended for the purposes of RCW 28A.165.005 through 28A.165.065 ((and 28A.655.235)).

(2) A district's high poverty-based allocation is generated by its qualifying school buildings and must be expended by the district for those buildings. This funding must supplement and not supplant the district's expenditures under this chapter for those school buildings.

Sec. 406. RCW 28A.150.390 and 2010 c 236 s 3 are each amended to read as follows:

SPECIAL EDUCATION FUNDED PERCENTAGE.

(1) The superintendent of public instruction shall submit to each regular session of the legislature during an odd-numbered year a programmed budget request for special education programs for students with disabilities. Funding for programs operated by local school districts shall be on an excess cost basis from appropriations provided by the legislature for special education programs for students with disabilities and shall take account of state funds accruing through RCW 28A.150.260 (4)(a) ((and (b))), (5), (6), and (8).

(2) The excess cost allocation to school districts shall be based on the following:

(a) A district's annual average headcount enrollment of students ages birth through four and those five year olds not yet enrolled in kindergarten who are eligible for and enrolled in special education, multiplied by the district's base allocation per full-time equivalent student, multiplied by 1.15; and

(b) A district's annual average full-time equivalent basic education enrollment, multiplied by the district's funded enrollment percent, multiplied by the district's base allocation per full-time equivalent student, multiplied by 0.9309.

(3) As used in this section:

(a) "Base allocation" means the total state allocation to all schools in the district generated by the distribution formula under RCW 28A.150.260 (4)(a) ((and (b))), (5), (6), and (8), to be divided by the district's full-time equivalent enrollment.

(b) "Basic education enrollment" means enrollment of resident students including nonresident students enrolled under RCW 28A.225.225 and students from nonhigh districts enrolled under RCW 28A.225.210 and excluding students residing in another district enrolled as part of an interdistrict cooperative program under RCW 28A.225.250.

(c) "Enrollment percent" means the district's resident special education annual average enrollment, excluding students ages birth through four and those five year olds not yet enrolled in kindergarten, as a percent of the district's annual average full-time equivalent basic education enrollment.

(d) "Funded enrollment percent" means the lesser of the district's actual enrollment percent or ((twelve and seven-tenths)) thirteen and five-tenths percent.

Sec. 407. RCW 28A.150.392 and 2009 c 548 s 109 are each amended to read as follows:

SAFETY NET RULES REVIEW FOR FULL IMPLEMENTATION.

(1)(a) To the extent necessary, funds shall be made available for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390.

(b) If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in any fiscal year, then the superintendent shall expend all available federal discretionary funds necessary to meet this need.

(2) Safety net funds shall be awarded by the state safety net oversight committee subject to the following conditions and limitations:

(a) The committee shall ((consider)) <u>award</u> additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas.

(b) In the determination of need, the committee shall ((also)) consider additional available revenues from federal sources.

(c) Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(d) In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state revenues related to services for special education-eligible students and all federal revenues from federal impact aid, medicaid, and the individuals with disabilities education act-Part B and appropriate special projects. Awards associated with (((+))) (c) and ((+))) (f) of this subsection shall not exceed the total of a district's specific determination of need.

(((<del>b</del>))) (<u>c</u>) The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(((e))) (f) Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services, which may include consideration of proximity to group homes, military bases, and regional hospitals. Safety net awards under this subsection (((1)(e))) (2)(f) shall be adjusted to reflect amounts awarded under (((b))) (e) of this subsection.

 $(((\frac{d})))$  (g) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(((e))) (h) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent of public instruction in accordance with chapter 318, Laws of 1999.

(((f))) (i) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(((2))) (3) The superintendent of public instruction ((may)) shall adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. By September 1, 2019, the superintendent shall review and revise the rules to achieve full and complete implementation of the requirements of this subsection and subsection (4) of this section. Before revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature. In adopting and revising the rules, the superintendent shall ensure the application process to access safety net funding is streamlined, timelines for submission are not in conflict, feedback to school districts is timely and provides sufficient information to allow school districts to understand how to correct any deficiencies in a safety net application, and that there is consistency between awards approved by school district and by application period. The office of the superintendent of public instruction shall also provide technical assistance to school districts in preparing and submitting special education safety net applications.

 $(((\frac{3})))$  (4) On an annual basis, the superintendent shall survey districts regarding their satisfaction with the safety net process and consider feedback from districts to improve the safety net process. Each year by December 1st, the superintendent shall prepare and submit a report to the office of financial management and the appropriate policy and fiscal committees of the legislature that summarizes the survey results and those changes made to the safety net process as a result of the school district feedback.

(((4))) (5) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

(a) One staff member from the office of the superintendent of public instruction;

(b) Staff of the office of the state auditor who shall be nonvoting members of the committee; and

(c) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

<u>NEW SECTION.</u> Sec. 408. SPECIAL EDUCATION SAFETY NET STUDY. (1) To ensure that the special education safety net process results in sufficient funding for school districts with demonstrated needs for funding in excess of state and federal funding otherwise provided, the superintendent of public instruction shall review the current safety net process. The superintendent must make recommendations on possible adjustments to improve the safety net process and to evaluate the appropriate funding level to meet the safety net's purpose.

(2) The superintendent of public instruction must consider and make recommendations on the following:

(a) Whether fiscal components in addition to or in place of the fiscal components of community impact and high need students should be considered by the safety net committee when making safety net awards, including:

(i) Should a school district be able to access the safety net when a school district's enrollment of students with disabilities exceeds the statutory limit of thirteen and five-tenths percent;

(ii) Should the definition and the limitation on the amount provided for high need students be adjusted; and

(iii) Should a district have access to the safety net when it has disproportionate concentrations of students with higher than statewide average costs, but the students do not meet the threshold for high need awards; and

(b) How the process can be improved, including how the superintendent can best provide technical assistance to school districts that file incomplete applications, and how the timeline can be changed to provide sufficient time for a district to resubmit an incomplete application.

(3) The superintendent of public instruction may consider other topics deemed relevant by the superintendent that achieve the goals of subsection (1) of this section.

(4) The superintendent of public instruction must submit the recommendations to the governor, and the legislative education and operating budget committees by November 1, 2018.

(5) This section expires August 1, 2019.

<u>NEW SECTION.</u> Sec. 409. A new section is added to chapter 28A.150 RCW to read as follows:

CTE FUNDING USES.

(1) To the extent that career and technical education funding allocations under RCW 28A.150.260 (4)(c) and (9) exceed general education funding allocations under RCW 28A.150.260, school districts may use the difference only for the career and technical education purposes, defined as follows:

(a) Staff salaries and benefits for career and technical education program delivery;

(b) Materials, supplies, and operating costs;

(c) Smaller class sizes;

(d) Work-based learning programs such as internships and preapprenticeship programs, including coordination tied to career and technical education coursework;

(e) New high quality career and technical education and expanded learning program development in high-demand fields;

(f) Certificated work-based learning coordinators and career guidance advisors;

(g) School expenses associated with career and technical education community partnerships with a career discovery focus including research or evidence-based mentoring programs and expanded learning opportunities in school, before or after school, and during the summer, and career-focused education programs with private and public K-12 schools and colleges, community-based organizations and nonprofit organizations, industry partners, tribal governments, and workforce development entities;

(h) Student fees for national and state industry-recognized certifications; and

(i) Course equivalency development to integrate core learning standards into career and technical education courses.

(2) A school district's maximum allowable indirect cost charges for approved career and technical education programs funded by the state may not exceed the lower of five percent or the cap established in federal law for federal career and technical education funding provided to school districts, as the federal law existed on the effective date of this section.

<u>NEW SECTION.</u> Sec. 410. A new section is added to chapter 28A.300 RCW to read as follows:

METHODOLOGIES FOR IMPLEMENTING CTE COURSE EQUIVALENCY.

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction must create methodologies for implementing equivalency crediting on a broader scale across the state and facilitate its implementation including, but not limited to, the following:

(a) Implementing statewide career and technical education course equivalency frameworks authorized under RCW 28A.700.070 for high schools and skill centers in science, technology, engineering, and mathematics. This may include development of additional equivalency course frameworks in core subject areas, course performance assessments, and development and delivery of professional development for districts and skill centers implementing the career and technical education frameworks; and

(b) Providing competitive grant funds to school districts to increase the integration and rigor of academic instruction in career and technical education equivalency courses. The grant funds must be used to support teams of general education and career and technical education teachers to convene and design course performance assessments, deepen the understanding of integrating academic and career and technical education in student instruction, and develop professional learning modules for school districts to plan implementation of equivalency crediting.

(2) Beginning in the 2017-18 school year, school districts shall annually report to the office of the superintendent of public instruction the following information:

(a) The annual number of students participating in state-approved equivalency courses; and

(b) The annual number of state approved equivalency credit courses offered in school districts and skill centers.

(3) Beginning December 1, 2017, and every December 1st thereafter, the office of the superintendent of public instruction shall annually submit a summary of the school district information reported under subsection (2) of this section to the office of the governor and the appropriate committees of the legislature.

<u>NEW SECTION.</u> Sec. 411. A new section is added to chapter 28A.300 RCW to read as follows:

GRANT PROGRAM FOR CTE EQUIPMENT.

(1) The office of the superintendent of public instruction shall establish a competitive grant process for school districts to apply for grants for the purpose of purchasing career and technical education equipment.

(2) The office of the superintendent of public instruction may adopt rules for the grant program established under this section.

(3) Competitive grants awarded under this section are subject to the availability of amounts appropriated by the state for this specific purpose.

Sec. 412. RCW 28A.185.020 and 2009 c 548 s 708 are each amended to read as follows:

HIGHLY CAPABLE FUNDING PERCENTAGE.

(1) The legislature finds that, for highly capable students, access to accelerated learning and enhanced instruction is access to a basic education. There are multiple definitions of highly capable, from intellectual to academic to artistic. The research literature strongly supports using multiple criteria to identify highly capable students, and therefore, the legislature does not intend to prescribe a single method. Instead, the legislature intends to allocate funding based on ((two and three hundred fourteen one thousandths)) 5.0 percent of each school district's population and authorize school districts to identify through the use of multiple, objective criteria those students most highly capable and eligible to receive accelerated learning and enhanced instruction in the program offered by the district. District practices for identifying the most highly capable students must prioritize equitable identification of low-income students. Access to accelerated learning and enhanced instruction through the program for highly capable students does not constitute an individual entitlement for any particular student.

(2) Supplementary funds provided by the state for the program for highly capable students under RCW 28A.150.260 shall be categorical funding to provide services to highly capable students as determined by a school district under RCW 28A.185.030.

Sec. 413. RCW 28A.150.1981 and 2009 c 548 s 2 are each amended to read as follows:

INTENT—BASIC EDUCATION.

It is the intent of the legislature that specified policies and allocation formulas adopted under this ((aet)) <u>chapter</u> will constitute the legislature's definition of basic education under Article IX of the state Constitution once fully implemented. The legislature intends, however, to continue to review and revise the formulas and schedules and may make additional revisions, including revisions for technical purposes and consistency in the event of mathematical or other technical errors.

<u>NEW SECTION.</u> Sec. 414. Sections 401 through 413 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect September 1, 2017.

#### PART V

#### LOCAL ENRICHMENT AND ACCOUNTABILITY

<u>NEW SECTION.</u> Sec. 501. A new section is added to chapter 28A.150 RCW to read as follows:

# BASIC EDUCATION ACT AMENDED TO LIMIT USE OF SCHOOL DISTRICT LOCAL REVENUES TO ENRICHMENT ONLY.

(1)(a) Beginning September 1, 2019, school districts may use local revenues only for documented and demonstrated enrichment of the state's statutory program of basic education as authorized in subsection (2) of this section.

(b) Nothing in this section revises the definition of the program of basic education under RCW 28A.150.220 and 28A.150.260.

(c) For purposes of this section, "local revenues" means enrichment levies collected under RCW 84.52.053, transportation vehicle enrichment levies, 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, except that "local revenues" does 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.

(2)(a) Enrichment activities are permitted under this section if they provide supplementation beyond the state:

(i) Minimum instructional offerings of RCW 28A.150.220 or 28A.150.260;

(ii) Staffing ratios or program components of 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 of RCW 28A.150.200, 28A.150.220, or 28A.150.260; or

(iv) Program of professional learning as defined by RCW 28A.300.600 (as recodified by this act) beyond that allocated pursuant to section 105 of this act.

(b) Permitted enrichment activities consist of:

(i) Extracurricular activities, extended school days, or an extended school year;

(ii) Additional course offerings beyond the minimum instructional program established in the state's statutory program of basic education;

(iii) Activities associated with early learning programs;

(iv) Any additional salary costs attributable to the provision or administration of the enrichment activities allowed under this subsection; and

(v) 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 (a) of this subsection and for which the superintendent approves proposed expenditures during the preballot approval process required by RCW 84.52.053 and section 204 of this act.

(3) In addition to the limitations of subsections (1) and (2) of this section and of RCW 28A.400.200, permitted enrichment activities are subject to the following conditions and limitations:

(a) If a school district spends local revenues for salary costs attributable to the administration of enrichment programs, the portion of administrator salaries attributable to that purpose may not exceed the proportion of the district's local revenues to its other revenues; and

(b) Supplemental contracts under RCW 28A.400.200 are subject to the limitations of this section.

(4) The superintendent of public instruction must adopt rules to implement this section.

<u>NEW SECTION.</u> Sec. 502. PROCESS FOR RECOMMENDATIONS ON LEGISLATIVE DEFINITIONS OF ADDITIONAL PERMITTED ENRICHMENTS. (1) The superintendent of public instruction may develop recommendations for expanding the nonexhaustive list of specifically permitted activities in section 501(2) of this act to include additional discrete forms of local enrichment that otherwise comply with section 501 of this act. The recommendations may consider, but are not limited to, existing school district enrichment activities to the extent that those activities are consistent with those requirements.

(2) In the 2018 legislative session, the legislature must review and consider the recommendations of the superintendent of public instruction, and may enact legislation to expand the list of permitted enrichment activities in section 501(2) of this act by codifying additional, specific examples of enrichment activities that may be provided with local revenues under the terms of section 501 of this act.

(3) This section expires July 1, 2018.

<u>NEW SECTION.</u> Sec. 503. A new section is added to chapter 43.09 RCW to read as follows:

AUDITOR REVIEWS OF USE OF LOCAL REVENUES FOR COMPLIANCE WITH ENRICHMENT REQUIREMENTS.

(1) Beginning with the 2019-20 school year, to ensure that school district local revenues are used solely for purposes of enriching the state's statutory program of basic education, the state auditor's regular financial audits of school districts must include a review of the expenditure of school district local revenues for compliance with section 501 of this act, including the spending plan approved by the superintendent of public instruction under section 204 of this act and its implementation, and any supplemental contracts entered into under RCW 28A.400.200.

(2) If an audit results in findings that a school district has failed to comply with these requirements, then within ninety days of completing the audit the auditor must report the findings to the superintendent of public instruction, the office of financial management, and the education and operating budget committees of the legislature.

<u>NEW SECTION.</u> Sec. 504. A new section is added to chapter 28A.320 RCW to read as follows:

SCHOOL BOARD HEARING ON ANY AUDIT FINDINGS UNDER ENRICHMENT RESTRICTIONS.

Before the beginning of the 2019-20 school year, each school district board of directors must adopt a policy for responding to any audit findings resulting from the audits conducted by the state auditor on the use of local revenues by the school district in accordance with sections 501 and 503 of this act. The policy must require a public hearing by the school district board of directors of the findings of the state auditor within thirty days of the issuance of the findings; and may include progressive disciplinary actions for the district superintendent, which may be implemented by the school district board of directors. <u>NEW SECTION.</u> Sec. 505. A new section is added to chapter 28A.400 RCW to read as follows:

SCHOOL DISTRICT REPORTS TO THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION ON SUPPLEMENTAL CONTRACTS.

Beginning September 1, 2017, school districts must annually report to the superintendent of public instruction on supplemental contracts entered into subject to RCW 28A.400.200(4) for additional time, responsibility, or incentive. The office of the superintendent of public instruction shall summarize the district information and submit an annual report to the education and appropriate fiscal committees of the house of representatives and the senate.

Sec. 506. RCW 28A.150.220 and 2014 c 217 s 201 are each amended to read as follows:

CONFORMING AMENDMENT ON ENRICHMENT.

(1) In order for students to have the opportunity to develop the basic education knowledge and skills under RCW 28A.150.210, school districts must provide instruction of sufficient quantity and quality and give students the opportunity to complete graduation requirements that are intended to prepare them for postsecondary education, gainful employment, and citizenship. The program established under this section shall be the minimum instructional program of basic education offered by school districts.

(2) Each school district shall make available to students the following minimum instructional offering each school year:

(a) For students enrolled in grades one through twelve, at least a districtwide annual average of one thousand hours, which shall be increased beginning in the 2015-16 school year to at least one thousand eighty instructional hours for students enrolled in grades nine through twelve and at least one thousand instructional hours for students in grades one through eight, all of which may be calculated by a school district using a district-wide annual average of instructional hours over grades one through twelve; and

(b) For students enrolled in kindergarten, at least four hundred fifty instructional hours, which shall be increased to at least one thousand instructional hours according to the implementation schedule under RCW 28A.150.315.

(3) The instructional program of basic education provided by each school district shall include:

(a) Instruction in the essential academic learning requirements under RCW 28A.655.070;

(b) Instruction that provides students the opportunity to complete twentyfour credits for high school graduation, beginning with the graduating class of 2019 or as otherwise provided in RCW 28A.230.090. Course distribution requirements may be established by the state board of education under RCW 28A.230.090;

(c) If the essential academic learning requirements include a requirement of languages other than English, the requirement may be met by students receiving instruction in one or more American Indian languages;

(d) Supplemental instruction and services for ((underachieving)) students who are not meeting academic standards through the learning assistance program under RCW 28A.165.005 through 28A.165.065;

(e) Supplemental instruction and services for eligible and enrolled students and exited students whose primary language is other than English through the transitional bilingual instruction program under RCW 28A.180.010 through 28A.180.080;

(f) The opportunity for an appropriate education at public expense as defined by RCW 28A.155.020 for all eligible students with disabilities as defined in RCW 28A.155.020; and

(g) Programs for highly capable students under RCW 28A.185.010 through 28A.185.030.

(4) Nothing contained in this section shall be construed to require individual students to attend school for any particular number of hours per day or to take any particular courses.

(5)(a) Each school district's kindergarten through twelfth grade basic educational program shall be accessible to all students who are five years of age, as provided by RCW 28A.225.160, and less than twenty-one years of age and shall consist of a minimum of one hundred eighty school days per school year in such grades as are conducted by a school district, and one hundred eighty half-days of instruction, or equivalent, in kindergarten, to be increased to a minimum of one hundred eighty school days per school year according to the implementation schedule under RCW 28A.150.315.

(b) Schools administering the Washington kindergarten inventory of developing skills may use up to three school days at the beginning of the school year to meet with parents and families as required in the parent involvement component of the inventory.

(c) In the case of students who are graduating from high school, a school district may schedule the last five school days of the one hundred eighty day school year for noninstructional purposes including, but not limited to, the observance of graduation and early release from school upon the request of a student. All such students may be claimed as a full-time equivalent student to the extent they could otherwise have been so claimed for the purposes of RCW 28A.150.250 and 28A.150.260. Any hours scheduled by a school district for noninstructional purposes during the last five school days for such students shall count toward the instructional hours requirement in subsection (2)(a) of this section.

(6) <u>Subject to section 501 of this act, nothing in this section precludes a</u> school district from enriching the instructional program of basic education, such as offering additional instruction or providing additional services, programs, or activities that the school district determines to be appropriate for the education of the school district's students.

(7) The state board of education shall adopt rules to implement and ensure compliance with the program requirements imposed by this section, RCW 28A.150.250 and 28A.150.260, and such related supplemental program approval requirements as the state board may establish.

#### PART VI

#### **REPORTING, ACCOUNTING, AND TRANSPARENCY**

Sec. 601. RCW 28A.320.330 and 2009 c 460 s 1 are each amended to read as follows:

SCHOOL DISTRICT SUBACCOUNT FOR LOCAL REVENUES.

School districts shall establish the following funds in addition to those provided elsewhere by law:

(1)(a) A general fund for ((maintenance and operation of)) 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 2019-20 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 enrichment 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 any supplemental expenditure schedules required by the superintendent of public instruction or state auditor for purposes of section 503 of this act.

(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 costeffective 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.

(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.

Sec. 602. RCW 28A.505.140 and 2006 c 263 s 202 are each amended to read as follows:

SCHOOL DISTRICT REVENUE TO EXPENDITURE ACCOUNTING.

(1) Notwithstanding any other provision of law, the superintendent of public instruction shall adopt such rules as will ensure proper budgetary procedures and practices, including monthly financial statements consistent with the provisions of RCW 43.09.200, and this chapter. By the 2019-20 school year, the rules must require school districts to provide separate accounting of state and local revenues to expenditures.

(2) If the superintendent of public instruction determines upon a review of the budget of any district that said budget does not comply with the budget procedures established by this chapter or by rules adopted by the superintendent of public instruction, or the provisions of RCW 43.09.200, the superintendent shall give written notice of this determination to the board of directors of the local school district.

(3) The local school district, notwithstanding any other provision of law, shall, within thirty days from the date the superintendent of public instruction issues a notice pursuant to subsection (2) of this section, submit a revised budget which meets the requirements of RCW 43.09.200, this chapter, and the rules of the superintendent of public instruction.

Sec. 603. RCW 28A.505.100 and 1990 c 33 s 420 are each amended to read as follows:

SCHOOL DISTRICT BUDGET TRANSPARENCY.

(1) The budget ((shall)) <u>must</u> set forth the estimated revenues from all <u>sources</u> for the ensuing fiscal year, the estimated revenues for the fiscal year current at the time of budget preparation, the actual revenues for the last completed fiscal year, and the reserved and unreserved fund balances for each year. The estimated revenues from all sources for the ensuing fiscal year shall not include any revenue not anticipated to be available during that fiscal year((<del>PROVIDED, That</del>)). However, school districts, pursuant to RCW 28A.505.110, can be granted permission by the superintendent of public instruction to include as revenues in their budgets, receivables collectible in future fiscal years.

(2)(a) The budget ((shall)) <u>must</u> set forth by detailed items or classes the estimated expenditures for the ensuing fiscal year, the estimated expenditures for the fiscal year current at the time of budget preparation, and the actual expenditures for the last completed fiscal year.

(b) The budget must set forth:

(i) The state-funded basic education salary amounts, locally funded salary amounts, total salary amounts, and full-time ((equivalents,)) equivalency for each individual certificated instructional staff, certificated administrative staff, and classified staff; and

(ii) The high, low, and average annual salaries, which shall be displayed by job classification within each budget classification. ((If individual salaries within each job classification are not displayed, districts shall provide the individual salaries together with the title or position of the recipient and the total amounts of salary under each budget class upon request. Salary schedules shall be displayed.))

(3) In districts where negotiations have not been completed, the district may budget the salaries at the current year's rate and restrict fund balance for the

amount of anticipated increase in salaries, so long as an explanation ((shall be)) is attached to the budget on such restriction of fund balance.

Sec. 604. RCW 28A.505.040 and 1995 c 121 s 1 are each amended to read as follows:

SCHOOL DISTRICT FOUR-YEAR BUDGET PLANNING.

(1) On or before the tenth day of July in each year, all school districts shall prepare their budget for the ensuing fiscal year. The <u>annual budget development</u> process shall include the development or update of a four-year budget plan that includes a four-year enrollment projection. The four-year budget plan must include an estimate of funding necessary to maintain the continuing costs of program and service levels and any existing supplemental contract obligations.

(2) The completed budget must include a summary of the four-year budget plan and set forth the complete financial plan of the district for the ensuing fiscal year.

(3)(a) Upon completion of their budgets, every school district shall <u>electronically</u> publish a notice stating that the district has completed the budget, <u>posted it electronically</u>, placed it on file in the school district administration office, and that a copy ((thereof)) of the budget and a summary of the four-year <u>budget plan</u> will be furnished to any person who calls upon the district for it. ((The district shall provide a sufficient number of copies of the budget to meet the reasonable demands of the publie.))

(b) School districts shall submit one copy of their budget <u>and the four-year</u> <u>budget plan summary</u> to their educational service districts <u>and the office of the</u> <u>superintendent of public instruction</u> for review and comment by July 10th. The superintendent of public instruction may delay the date in this section if the state's operating budget is not finally approved by the legislature until after June 1st.

(c) The office of the superintendent of public instruction shall consider the information provided under (b) of this subsection when ranking each school district by the financial health of the school district in order to provide information for districts to avoid potential financial difficulty, insolvency, or binding conditions.

Sec. 605. RCW 28A.505.050 and 1995 c 121 s 2 are each amended to read as follows:

SCHOOL DISTRICT FOUR-YEAR BUDGET PLANS.

(1) Upon completion of their budgets as provided in RCW 28A.505.040, every school district shall publish a notice stating that the board of directors will meet for the purpose of fixing and adopting the budget of the district for the ensuing fiscal year.

(2) Such notice shall designate the date, time, and place of said meeting which shall occur no later than the thirty-first day of August for first-class school districts, and the first day of August for second-class school districts.

(3) The notice shall also state that any person may appear ((thereat)) at the meeting and be heard for or against any part of such budget. the four-year budget plan, or any proposed changes to uses of enrichment funding under section 204 of this act. ((Said)) The notice shall be electronically published and published at least once each week for two consecutive weeks in a newspaper of general circulation in the district, or, if there be none, in a newspaper of general

circulation in the county or counties in which such district is a part. The last notice shall be published no later than seven days immediately prior to the hearing.

Sec. 606. RCW 28A.505.060 and 1990 c 33 s 418 are each amended to read as follows:

HEARINGS ON AND ADOPTION OF SCHOOL DISTRICT BUDGET.

(1) On the date given in ((said)) the notice as provided in RCW 28A.505.050 the school district board of directors shall meet at the time and place designated. Any person may appear ((thereat)) at the meeting and be heard for or against any part of such budget, the four-year budget plan, or any proposed changes to uses of enrichment funding under section 204 of this act.

(2) Such hearing may be continued not to exceed a total of two days: PROVIDED, That the budget must be adopted no later than August 31st in first-class school districts, and not later than August 1st in second-class school districts.

(3) Upon conclusion of the hearing, the board of directors shall fix and determine the appropriation from each fund contained in the budget separately, and shall by resolution adopt the budget, the four-year budget plan summary, and the four-year enrollment projection and the appropriations as so finally determined, and enter the same in the official minutes of the board: PROVIDED, That first-class school districts shall file copies of their adopted budget with their educational service district no later than September 3rd, and second-class school districts shall forward copies of their adopted budget to their educational service district no later than August 3rd for review, alteration and approval as provided for in RCW 28A.505.070 by the budget review committee.

*<u>NEW SECTION.</u> Sec. 607. CASELOAD FORECAST COUNCIL TECHNICAL WORKING GROUP TO ASSIST WITH SCHOOL DISTRICT FOUR-YEAR BUDGET PLANS. (1) To assist school districts to accurately determine the district's four-year budget plan required under RCW 28A.505.040, the caseload forecast council shall convene a technical working group with at least one representative from the council's staff, school district business officers, the office of the superintendent of public instruction, and educational service districts.

(2) The caseload forecast council, with input from the technical working group, shall explore the feasibility of developing a generic model for school districts to use in the required school district four-year budget plan. A potential model must consider the ability to look at trends over time and to permit local school districts to include local impacts of business growth and loss and other local factors that could impact student enrollment.

(3) No later than September 1, 2018, the caseload forecast council, with input from the technical working group, shall report the results of this effort to the governor and the appropriate committees of the legislature. The report shall, at a minimum, include:

(a) An assessment of the feasibility of development of a generic model to be used for these purposes;

(b) An assessment of the processes needed to develop and maintain a generic model including, but not limited to:

(i) The availability and quality of data needed for a generic model;

(ii) The potential statistical methodologies that could inform a generic model; and

(iii) The potential risks involved in the use of a generic model; and

(c) Recommendations for the legislature to consider if the legislature pursues the development of a generic model in the future.

(4) This section expires December 31, 2018.

*Sec. 607 was vetoed. See message at end of chapter.

<u>NEW SECTION.</u> Sec. 608. Sections 604, 605, and 606 of this act take effect January 1, 2018.

NEW SECTION. Sec. 609. Section 603 of this act takes effect January 1, 2019.

#### PART VII

#### SCHOOL DISTRICT COLLECTIVE BARGAINING AND SALARIES

<u>NEW SECTION.</u> Sec. 701. A new section is added to chapter 41.56 RCW to read as follows:

RESTRICTIONS ON CLS SALARY INCREASES DURING THE TRANSITION PERIOD.

(1) A school district collective bargaining agreement that is executed or modified after the effective date of this section and that is in effect for the 2018-19 school year may not provide school district classified staff with a percentage increase to total salary for the 2018-19 school year, including supplemental contracts, that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average classified staff salary is less than the average classified salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average classified staff salary equals the average classified staff salary allocated by the state.

(2) This section expires August 31, 2019.

<u>NEW SECTION.</u> Sec. 702. A new section is added to chapter 41.59 RCW to read as follows:

RESTRICTIONS ON CIS SALARY INCREASES DURING THE TRANSITION PERIOD.

(1) A school district collective bargaining agreement that is executed or modified after the effective date of this section and that is in effect for the 2018-19 school year may not provide school district certificated instructional staff with a percentage increase to total salary for the 2018-19 school year, including supplemental contracts, that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average certificated instructional staff salary is less than the average certificated instructional staff salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average certificated instructional staff salary equals the average certificated instructional staff salary allocated by the state.

(2) This section expires August 31, 2019.

<u>NEW SECTION.</u> Sec. 703. A new section is added to chapter 28A.400 RCW to read as follows:

RESTRICTIONS ON CAS SALARY INCREASES DURING TRANSITIONAL PERIOD.

(1) A school district may not provide any school district certificated administrative staff with a percentage increase to total salary for the 2018-19 school year, including supplemental contracts, that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average certificated administrative staff salary is less than the average certificated administrative salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average certificated administrative staff salary equals the average certificated administrative staff salary allocated by the state.

(2) This section expires August 31, 2019.

<u>NEW SECTION.</u> Sec. 704. A new section is added to chapter 41.56 RCW to read as follows:

EFFECT ON COLLECTIVE BARGAINING AGREEMENTS.

Nothing in chapter . . ., Laws of 2017 3rd sp. sess. (this act) is intended to alter or impair school district collective bargaining agreements that are in effect on the effective date of this section. Any school district collective bargaining agreement executed or modified after the effective date of this section must comply with chapter . . ., Laws of 2017 3rd sp. sess. (this act).

<u>NEW SECTION.</u> Sec. 705. A new section is added to chapter 41.59 RCW to read as follows:

EFFECT ON COLLECTIVE BARGAINING AGREEMENTS.

Nothing in chapter . . ., Laws of 2017 3rd sp. sess. (this act) is intended to alter or impair school district collective bargaining agreements that are in effect on the effective date of this section. Any school district collective bargaining agreement executed or modified after the effective date of this section must comply with chapter . . ., Laws of 2017 3rd sp. sess. (this act).

Sec. 706. RCW 41.59.935 and 1990 c 33 s 571 are each amended to read as follows:

COLLECTIVE BARGAINING AGREEMENTS.

Nothing in this chapter ((shall be construed to)) grants employers or employees the right to reach agreements regarding salary or compensation increases for the state's statutory program of basic education in excess of those authorized in accordance with RCW 28A.150.410 and 28A.400.200. School districts are authorized to reach agreements regarding salaries or compensation for enrichment activities subject to RCW 28A.400.200 and section 501 of this act.

<u>NEW SECTION.</u> Sec. 707. Sections 701 through 703 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.

## PART VIII

### SCHOOL EMPLOYEES' BENEFITS BOARD

<u>NEW SECTION.</u> Sec. 801. A new section is added to chapter 41.05 RCW to read as follows:

SEBB CREATED.

(1) The school employees' benefits board is created within the authority. The function of the board is to design and approve insurance benefit plans for school employees and to establish eligibility criteria for participation in insurance benefit plans.

(2) By September 30, 2017, the governor shall appoint the following voting members to the board as follows:

(a) Two members from associations representing certificated employees;

(b) Two members from associations representing classified employees;

(c) Four members with expertise in employee health benefits policy and administration, one of which is nominated by an association representing school business officials; and

(d) The director of the authority or his or her designee.

(3) Initial members of the board shall serve staggered terms not to exceed four years. Members appointed thereafter shall serve two-year terms.

(4) Members of the board must be compensated in accordance with RCW 43.03.250 and must be reimbursed for their travel expenses while on official business in accordance with RCW 43.03.050 and 43.03.060.

(5) The director of the authority or his or her designee shall be the chair and another member shall be selected by the board as vice chair. The chair shall conduct meetings of the board. The vice chair shall preside over meetings in the absence of the chair. The board shall develop bylaws for the conduct of its business.

(6) The board shall:

(a) Study all matters connected with the provision of health care coverage, life insurance, liability insurance, accidental death and dismemberment, and disability insurance, or any of, or combination of, the enumerated types of insurance for eligible employees and their dependents on the best basis possible with relation both to the welfare of the employees and the state. However, liability insurance should not be made available to dependents;

(b) Develop employee benefit plans that include comprehensive, evidencebased health care benefits for employees. In developing these plans, the board shall consider the following elements:

(i) Methods of maximizing cost containment while ensuring access to quality health care;

(ii) Development of provider arrangements that encourage cost containment and ensure access to quality care including, but not limited to, prepaid delivery systems and prospective payment methods;

(iii) Wellness, preventive care, chronic disease management, and other incentives that focus on proven strategies;

(iv) Utilization review procedures to support cost-effective benefits delivery;

(v) Ways to leverage efficient purchasing by coordinating with the public employees' benefits board;

(vi) Effective coordination of benefits; and

(vii) Minimum standards for insuring entities;

(c) Authorize premium contributions for an employee and the employee's dependents in a manner that encourages the use of cost-efficient health care systems. For participating employees, the required employee share of the cost for family coverage under a plan may not exceed the required employee share of the cost for employee-only coverage;

(d) Determine the terms and conditions of employee and dependent eligibility criteria, enrollment policies, and scope of coverage. At a minimum, the eligibility criteria established by the board shall address the following:

(i) The effective date of coverage following hire;

(ii) An employee must work at least six hundred thirty hours per year to qualify for coverage; and

(iii) Coverage for dependents, including criteria for legal spouses; children up to age twenty-six; children of any age with disabilities, mental illness, or intellectual or other developmental disabilities; and state registered domestic partners, as defined in RCW 26.60.020, and others authorized by the legislature;

(e) Determine the terms and conditions of purchasing system participation, consistent with chapter . . ., Laws of 2017 3rd sp. sess. (this act), including establishment of criteria for employing districts and individual employees;

(f) Establish penalties to be imposed when the employing district fails to comply with established participation criteria; and

(g) Participate with the authority in the preparation of specifications and selection of carriers contracted for employee benefit plan coverage of eligible employees in accordance with the criteria set forth in rules. To the extent possible, the board shall leverage efficient purchasing by coordinating with the public employees' benefits board.

(7) By November 30, 2021, the authority shall review the benefit plans provided through the school employees' benefits board, complete an analysis of the benefits provided and the administration of the benefits plans, and determine whether provisions in chapter . . ., Laws of 2017 3rd sp. sess. (this act) have resulted in cost savings to the state. The authority shall submit a report to the relevant legislative policy and fiscal committees summarizing the results of the review and analysis.

**Sec. 802.** RCW 41.05.011 and 2016 c 241 s 136 and 2016 c 67 s 2 are each reenacted and amended to read as follows:

SEBB—DEFINITIONS.

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

(1) "Authority" means the Washington state health care authority.

(2) "Board" means the public employees' benefits board established under RCW 41.05.055.

(3) "Dependent care assistance program" means a benefit plan whereby state ((and public)) employees may pay for certain employment related dependent care with pretax dollars as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 129 or other sections of the internal revenue code.

(4) "Director" means the director of the authority.

(5) "Emergency service personnel killed in the line of duty" means law enforcement officers and firefighters as defined in RCW 41.26.030, members of

the Washington state patrol retirement fund as defined in RCW 43.43.120, and reserve officers and firefighters as defined in RCW 41.24.010 who die as a result of injuries sustained in the course of employment as determined consistent with Title 51 RCW by the department of labor and industries.

(6)(a) "Employee" for the public employees' benefits board program includes all employees of the state, whether or not covered by civil service; elected and appointed officials of the executive branch of government, including full-time members of boards, commissions, or committees; justices of the supreme court and judges of the court of appeals and the superior courts; and members of the state legislature. Pursuant to contractual agreement with the authority, "employee" may also include: (((a))) (i) Employees of a county, municipality, or other political subdivision of the state and members of the legislative authority of any county, city, or town who are elected to office after February 20, 1970, if the legislative authority of the county, municipality, or other political subdivision of the state submits application materials to the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.04.205 and 41.05.021(1)(g); (((<del>b)</del>)) (ii) employees of employee organizations representing state civil service employees, at the option of each such employee organization((, and, effective October 1, 1995, employees of employee organizations currently pooled with employees of school districts for the purpose of purchasing insurance benefits, at the option of each such employee organization; (c))); (iii) through December 31, 2019, employees of a school district if the authority agrees to provide any of the school districts' insurance programs by contract with the authority as provided in RCW 28A.400.350;  $\left(\left(\frac{d}{d}\right)\right)$  (iv) employees of a tribal government, if the governing body of the tribal government seeks and receives the approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.05.021(1) (f) and (g); (((e))) (v) employees of the Washington health benefit exchange if the governing board of the exchange established in RCW 43.71.020 seeks and receives approval of the authority to provide any of its insurance programs by contract with the authority, as provided in RCW 41.05.021(1) (g) and (n); and (((f))) (vi) through December 31, 2019, employees of a charter school established under chapter 28A.710 RCW. "Employee" does not include: Adult family home providers; unpaid volunteers; patients of state hospitals; inmates; employees of the Washington state convention and trade center as provided in RCW 41.05.110; students of institutions of higher education as determined by their institution; and any others not expressly defined as employees under this chapter or by the authority under this chapter.

(b) Effective January 1, 2020, "employee" for the school employees' benefits board program includes all employees of school districts, educational service districts, and charter schools established under chapter 28A.710 RCW.

(7) <u>"Employee group" means employees of a similar employment type, such as administrative, represented classified, nonrepresented classified, confidential, represented certificated, or nonrepresented certificated, within a school district.</u>

(8)(a) "Employer" for the public employees' benefits board program means the state of Washington.

(((<del>8)</del>)) (b) "Employer" for the school employees' benefits board program means school districts and educational service districts and charter schools established under chapter 28A.710 RCW.

(9) "Employer group" means those counties, municipalities, political subdivisions, the Washington health benefit exchange, tribal governments, school districts, and educational service districts, and employee organizations representing state civil service employees, obtaining employee benefits through a contractual agreement with the authority.

(((9))) (10)(a) "Employing agency" for the public employees' benefits board program means a division, department, or separate agency of state government, including an institution of higher education; a county, municipality, ((sehool district, educational service district,)) or other political subdivision; charter school; and a tribal government covered by this chapter.

(((10))) (b) "Employing agency" for the school employees' benefits board program means school districts and educational service districts.

(11) "Faculty" means an academic employee of an institution of higher education whose workload is not defined by work hours but whose appointment, workload, and duties directly serve the institution's academic mission, as determined under the authority of its enabling statutes, its governing body, and any applicable collective bargaining agreement.

(((11))) (12) "Flexible benefit plan" means a benefit plan that allows employees to choose the level of health care coverage provided and the amount of employee contributions from among a range of choices offered by the authority.

 $(((\frac{12})))$  (13) "Insuring entity" means an insurer as defined in chapter 48.01 RCW, a health care service contractor as defined in chapter 48.44 RCW, or a health maintenance organization as defined in chapter 48.46 RCW.

(((13))) (14) "Medical flexible spending arrangement" means a benefit plan whereby state ((and public)) employees may reduce their salary before taxes to pay for medical expenses not reimbursed by insurance as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

 $(((\frac{14})))$  (15) "Participant" means an individual who fulfills the eligibility and enrollment requirements under the salary reduction plan.

(((15))) (16) "Plan year" means the time period established by the authority.

(((16))) (17) "Premium payment plan" means a benefit plan whereby state and public employees may pay their share of group health plan premiums with pretax dollars as provided in the salary reduction plan under this chapter pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

(((17))) (18) "Retired or disabled school employee" means:

(a) Persons who separated from employment with a school district or educational service district and are receiving a retirement allowance under chapter 41.32 or 41.40 RCW as of September 30, 1993;

(b) Persons who separate from employment with a school district, educational service district, or charter school on or after October 1, 1993, and immediately upon separation receive a retirement allowance under chapter 41.32, 41.35, or 41.40 RCW;

(c) Persons who separate from employment with a school district, educational service district, or charter school due to a total and permanent disability, and are eligible to receive a deferred retirement allowance under chapter 41.32, 41.35, or 41.40 RCW.

(((18))) (19) "Salary" means a state employee's monthly salary or wages.

(((19))) (20) "Salary reduction plan" means a benefit plan whereby state and public employees may agree to a reduction of salary on a pretax basis to participate in the dependent care assistance program, medical flexible spending arrangement, or premium payment plan offered pursuant to 26 U.S.C. Sec. 125 or other sections of the internal revenue code.

((<del>(20)</del>)) <u>(21) "School employees' benefits board" means the board established in section 801 of this act.</u>

(22) "School employees' benefits board participating organization" means a public school district or educational service district or charter school established under chapter 28A.710 RCW that participates in benefit plans provided by the school employees' benefits board.

(23) "Seasonal employee" means ((an)) <u>a state</u> employee hired to work during a recurring, annual season with a duration of three months or more, and anticipated to return each season to perform similar work.

(((21))) (24) "Separated employees" means persons who separate from employment with an employer as defined in:

(a) RCW 41.32.010(17) on or after July 1, 1996; or

(b) RCW 41.35.010 on or after September 1, 2000; or

(c) RCW 41.40.010 on or after March 1, 2002;

and who are at least age fifty-five and have at least ten years of service under the teachers' retirement system plan 3 as defined in RCW 41.32.010(33), the Washington school employees' retirement system plan 3 as defined in RCW 41.35.010, or the public employees' retirement system plan 3 as defined in RCW 41.40.010.

(((22))) (25) "State purchased health care" or "health care" means medical and health care, pharmaceuticals, and medical equipment purchased with state and federal funds by the department of social and health services, the department of health, the basic health plan, the state health care authority, the department of labor and industries, the department of corrections, the department of veterans affairs, and local school districts.

 $((\frac{23}{2})))$  (26) "Tribal government" means an Indian tribal government as defined in section 3(32) of the employee retirement income security act of 1974, as amended, or an agency or instrumentality of the tribal government, that has government offices principally located in this state.

Sec. 803. RCW 41.05.021 and 2012 c 87 s 23 are each amended to read as follows:

SEBB IMPLEMENTATION.

(1) The Washington state health care authority is created within the executive branch. The authority shall have a director appointed by the governor, with the consent of the senate. The director shall serve at the pleasure of the governor. The director may employ a deputy director, and such assistant directors and special assistants as may be needed to administer the authority, who shall be exempt from chapter 41.06 RCW, and any additional staff members as are necessary to administer this chapter. The director may delegate any power or duty vested in him or her by law, including authority to make final decisions and enter final orders in hearings conducted under chapter 34.05 RCW. The primary duties of the authority shall be to: Administer ((state employees')) insurance benefits ((and)) for state employees, retired or disabled state and school employees, and subject to school employees' benefits board direction.

school employees((<u>'-insurance-benefits</u>)); administer the basic health plan pursuant to chapter 70.47 RCW; administer the children's health program pursuant to chapter 74.09 RCW; study state purchased health care programs in order to maximize cost containment in these programs while ensuring access to quality health care; implement state initiatives, joint purchasing strategies, and techniques for efficient administration that have potential application to all statepurchased health services; and administer grants that further the mission and goals of the authority. The authority's duties include, but are not limited to, the following:

(a) To administer health care benefit programs for <u>state</u> employees ((and)), retired or disabled <u>state and school employees</u>, and <u>subject to school employees'</u> <u>benefits board direction</u>, school employees as specifically authorized in RCW 41.05.065 <u>and section 801 of this act</u> and in accordance with the methods described in RCW 41.05.075, 41.05.140, and other provisions of this chapter;

(b) To analyze state purchased health care programs and to explore options for cost containment and delivery alternatives for those programs that are consistent with the purposes of those programs, including, but not limited to:

(i) Creation of economic incentives for the persons for whom the state purchases health care to appropriately utilize and purchase health care services, including the development of flexible benefit plans to offset increases in individual financial responsibility;

(ii) Utilization of provider arrangements that encourage cost containment, including but not limited to prepaid delivery systems, utilization review, and prospective payment methods, and that ensure access to quality care, including assuring reasonable access to local providers, especially for employees residing in rural areas;

(iii) Coordination of state agency efforts to purchase drugs effectively as provided in RCW 70.14.050;

(iv) Development of recommendations and methods for purchasing medical equipment and supporting services on a volume discount basis;

(v) Development of data systems to obtain utilization data from state purchased health care programs in order to identify cost centers, utilization patterns, provider and hospital practice patterns, and procedure costs, utilizing the information obtained pursuant to RCW 41.05.031; and

(vi) In collaboration with other state agencies that administer state purchased health care programs, private health care purchasers, health care facilities, providers, and carriers:

(A) Use evidence-based medicine principles to develop common performance measures and implement financial incentives in contracts with insuring entities, health care facilities, and providers that:

(I) Reward improvements in health outcomes for individuals with chronic diseases, increased utilization of appropriate preventive health services, and reductions in medical errors; and

(II) Increase, through appropriate incentives to insuring entities, health care facilities, and providers, the adoption and use of information technology that contributes to improved health outcomes, better coordination of care, and decreased medical errors;

(B) Through state health purchasing, reimbursement, or pilot strategies, promote and increase the adoption of health information technology systems,

including electronic medical records, by hospitals as defined in RCW 70.41.020(((4))), integrated delivery systems, and providers that:

(I) Facilitate diagnosis or treatment;

(II) Reduce unnecessary duplication of medical tests;

(III) Promote efficient electronic physician order entry;

(IV) Increase access to health information for consumers and their providers; and

(V) Improve health outcomes;

(C) Coordinate a strategy for the adoption of health information technology systems using the final health information technology report and recommendations developed under chapter 261, Laws of 2005;

(c) To analyze areas of public and private health care interaction;

(d) To provide information and technical and administrative assistance to the board <u>and the school employees' benefits board</u>;

(e) To review and approve or deny applications from counties, municipalities, and other political subdivisions of the state to provide statesponsored insurance or self-insurance programs to their employees in accordance with the provisions of RCW 41.04.205 and (g) of this subsection, setting the premium contribution for approved groups as outlined in RCW 41.05.050;

(f) To review and approve or deny the application when the governing body of a tribal government applies to transfer their employees to an insurance or self-insurance program administered under this chapter. In the event of an employee transfer pursuant to this subsection (1)(f), members of the governing body are eligible to be included in such a transfer if the members are authorized by the tribal government to participate in the insurance program being transferred from and subject to payment by the members of all costs of insurance for the members. The authority shall: (i) Establish the conditions for participation; (ii) have the sole right to reject the application; and (iii) set the premium contribution for approved groups as outlined in RCW 41.05.050. Approval of the application by the authority transfers the employees and dependents involved to the insurance, self-insurance, or health care program approved by the authority;

(g) To ensure the continued status of the employee insurance or selfinsurance programs administered under this chapter as a governmental plan under section 3(32) of the employee retirement income security act of 1974, as amended, the authority shall limit the participation of employees of a county, municipal, school district, educational service district, or other political subdivision, the Washington health benefit exchange, or a tribal government, including providing for the participation of those employees whose services are substantially all in the performance of essential governmental functions, but not in the performance of commercial activities;

(h) To establish billing procedures and collect funds from school districts in a way that minimizes the administrative burden on districts;

(i) <u>Through December 31, 2019, to publish and distribute to</u> nonparticipating school districts and educational service districts by October 1st of each year a description of health care benefit plans available through the authority and the estimated cost if school districts and educational service district employees were enrolled; (j) To apply for, receive, and accept grants, gifts, and other payments, including property and service, from any governmental or other public or private entity or person, and make arrangements as to the use of these receipts to implement initiatives and strategies developed under this section;

(k) To issue, distribute, and administer grants that further the mission and goals of the authority;

(1) To adopt rules consistent with this chapter as described in RCW 41.05.160 including, but not limited to:

(i) Setting forth the criteria established by the board under RCW 41.05.065, and by the school employees' benefits board under section 801 of this act, for determining whether an employee is eligible for benefits;

(ii) Establishing an appeal process in accordance with chapter 34.05 RCW by which an employee may appeal an eligibility determination;

(iii) Establishing a process to assure that the eligibility determinations of an employing agency comply with the criteria under this chapter, including the imposition of penalties as may be authorized by the board <u>or the school</u> <u>employees' benefits board;</u>

(m)(i) To administer the medical services programs established under chapter 74.09 RCW as the designated single state agency for purposes of Title XIX of the federal social security act;

(ii) To administer the state children's health insurance program under chapter 74.09 RCW for purposes of Title XXI of the federal social security act;

(iii) To enter into agreements with the department of social and health services for administration of medical care services programs under Titles XIX and XXI of the social security act. The agreements shall establish the division of responsibilities between the authority and the department with respect to mental health, chemical dependency, and long-term care services, including services for persons with developmental disabilities. The agreements shall be revised as necessary, to comply with the final implementation plan adopted under section 116, chapter 15, Laws of 2011 1st sp. sess.;

(iv) To adopt rules to carry out the purposes of chapter 74.09 RCW;

(v) To appoint such advisory committees or councils as may be required by any federal statute or regulation as a condition to the receipt of federal funds by the authority. The director may appoint statewide committees or councils in the following subject areas: (A) Health facilities; (B) children and youth services; (C) blind services; (D) medical and health care; (E) drug abuse and alcoholism; (F) rehabilitative services; and (G) such other subject matters as are or come within the authority's responsibilities. The statewide councils shall have representation from both major political parties and shall have substantial consumer representation. Such committees or councils shall be constituted as required by federal law or as the director in his or her discretion may determine. The members of the committees or councils shall hold office for three years except in the case of a vacancy, in which event appointment shall be only for the remainder of the unexpired term for which the vacancy occurs. No member shall serve more than two consecutive terms. Members of such state advisory committees or councils may be paid their travel expenses in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended;

(n) To review and approve or deny the application from the governing board of the Washington health benefit exchange to provide state-sponsored insurance or self-insurance programs to employees of the exchange. The authority shall (i) establish the conditions for participation; (ii) have the sole right to reject an application; and (iii) set the premium contribution for approved groups as outlined in RCW 41.05.050.

(2) On and after January 1, 1996, the public employees' benefits board <u>and</u> the school employees' benefits board beginning October 1, 2017, may implement strategies to promote managed competition among employee health benefit plans. Strategies may include but are not limited to:

(a) Standardizing the benefit package;

(b) Soliciting competitive bids for the benefit package;

(c) Limiting the state's contribution to a percent of the lowest priced qualified plan within a geographical area;

(d) Monitoring the impact of the approach under this subsection with regards to: Efficiencies in health service delivery, cost shifts to subscribers, access to and choice of managed care plans statewide, and quality of health services. The health care authority shall also advise on the value of administering a benchmark employer-managed plan to promote competition among managed care plans.

Sec. 804. RCW 41.05.022 and 1995 1st sp.s. c 6 s 3 are each amended to read as follows:

SEBB ESTABLISHED SEPARATELY FROM PEBB.

(1) The health care authority is hereby designated as the single state agent for purchasing health services.

(2) On and after January 1, 1995, at least the following state-purchased health services programs shall be merged into a single, community-rated risk pool: Health benefits for groups of employees of school districts and educational service districts that voluntarily purchase health benefits as provided in RCW 41.05.011 <u>through December 31, 2019</u>; health benefits for state employees; health benefits for eligible retired or disabled school employees not eligible for parts A and B of medicare; and health benefits for eligible state retirees not eligible for parts A and B of medicare.

(3) On and after January 1, 2020, health benefits for groups of employees of school districts and educational service districts shall be merged into a single, community-rated risk pool separate and distinct from the pool described in subsection (2) of this section.

(4) By December 15, 2018, the health care authority, in consultation with the public employees' benefits board and the school employees' benefits board, shall submit to the appropriate committees of the legislature a complete analysis of the most appropriate risk pool for the retired and disabled school employees, to include at a minimum an analysis of the size of the nonmedicare and medicare retiree enrollment pools, the impacts on cost for state and school district retirees of moving retirees from one pool to another, the need for and the amount of an ongoing retiree subsidy allocation from the active school employees, and the timing and suggested approach for a transition from one risk pool to another.

(5) At a minimum, and regardless of other legislative enactments, the state health services purchasing agent shall:

(a) Require that a public agency that provides subsidies for a substantial portion of services now covered under the basic health plan use uniform

eligibility processes, insofar as may be possible, and ensure that multiple eligibility determinations are not required;

(b) Require that a health care provider or a health care facility that receives funds from a public program provide care to state residents receiving a state subsidy who may wish to receive care from them, and that an insuring entity that receives funds from a public program accept enrollment from state residents receiving a state subsidy who may wish to enroll with them;

(c) Strive to integrate purchasing for all publicly sponsored health services in order to maximize the cost control potential and promote the most efficient methods of financing and coordinating services;

(d) Consult regularly with the governor, the legislature, and state agency directors whose operations are affected by the implementation of this section; and

(e) Ensure the control of benefit costs under managed competition by adopting rules to prevent employers from entering into an agreement with employees or employee organizations when the agreement would result in increased utilization in public employees' benefits board or school employee benefits board plans or reduce the expected savings of managed competition.

Sec. 805. RCW 41.05.026 and 2005 c 274 s 277 are each amended to read as follows:

SEBB CONFORMING AMENDMENTS.

(1) When soliciting proposals for the purpose of awarding contracts for goods or services, the ((administrator)) director shall, upon written request by the bidder, exempt from public inspection and copying such proprietary data, trade secrets, or other information contained in the bidder's proposal that relate to the bidder's unique methods of conducting business or of determining prices or premium rates to be charged for services under terms of the proposal.

(2) When soliciting information for the development, acquisition, or implementation of state purchased health care services, the ((administrator)) director shall, upon written request by the respondent, exempt from public inspection and copying such proprietary data, trade secrets, or other information submitted by the respondent that relate to the respondent's unique methods of conducting business, data unique to the product or services of the respondent, or to determining prices or rates to be charged for services.

(3) Actuarial formulas, statistics, cost and utilization data, or other proprietary information submitted upon request of the ((administrator))) director, board, school employees' benefits board, or a technical review committee created to facilitate the development, acquisition, or implementation of state purchased health care under this chapter by a contracting insurer, health care service contractor, health maintenance organization, vendor, or other health services organization may be withheld at any time from public inspection when necessary to preserve trade secrets or prevent unfair competition.

(4) The board, <u>school employees' benefits board</u>, or a technical review committee created to facilitate the development, acquisition, or implementation of state purchased health care under this chapter, may hold an executive session in accordance with chapter 42.30 RCW during any regular or special meeting to discuss information submitted in accordance with subsections (1) through (3) of this section.

(5) A person who challenges a request for or designation of information as exempt under this section is entitled to seek judicial review pursuant to chapter 42.56 RCW.

Sec. 806. RCW 41.05.050 and 2016 c 67 s 3 are each amended to read as follows:

SEBB PARTICIPATION.

(1) Every: (a) Department, division, or separate agency of state government; (b) county, municipal, school district, educational service district, or other political subdivisions; and (c) tribal governments as are covered by this chapter, shall provide contributions to insurance and health care plans for its employees and their dependents, the content of such plans to be determined by the authority. Contributions, paid by the county, the municipality, other political subdivision, or a tribal government for their employees, shall include an amount determined by the authority to pay such administrative expenses of the authority as are necessary to administer the plans for employees of those groups, except as provided in subsection (4) of this section.

(2) To account for increased cost of benefits for the state and for state employees, the authority may develop a rate surcharge applicable to participating counties, municipalities, other political subdivisions, and tribal governments.

(3) The contributions of any: (a) Department, division, or separate agency of the state government; (b) county, municipal, or other political subdivisions; ((and)) (c) any tribal government as are covered by this chapter; and (d) school districts and educational service districts, shall be set by the authority, subject to the approval of the governor for availability of funds as specifically appropriated by the legislature for that purpose. Insurance and health care contributions for ferry employees shall be governed by RCW 47.64.270.

(4)(a) <u>Until January 1, 2020, the</u> authority shall collect from each participating school district and educational service district an amount equal to the composite rate charged to state agencies, plus an amount equal to the employee premiums by plan and family size as would be charged to state employees, for groups of district employees enrolled in authority plans. The authority may collect these amounts in accordance with the district fiscal year, as described in RCW 28A.505.030.

(b) For all groups of district employees enrolling in authority plans for the first time after September 1, 2003, and until January 1, 2020, the authority shall collect from each participating school district an amount equal to the composite rate charged to state agencies, plus an amount equal to the employee premiums by plan and by family size as would be charged to state employees, only if the authority determines that this method of billing the districts will not result in a material difference between revenues from districts and expenditures made by the authority on behalf of districts and their employees. The authority may collect these amounts in accordance with the district fiscal year, as described in RCW 28A.505.030.

(c) If the authority determines at any time that the conditions in (b) of this subsection cannot be met, the authority shall offer enrollment to additional groups of district employees on a tiered rate structure until such time as the authority determines there would be no material difference between revenues and expenditures under a composite rate structure for all district employees enrolled in authority plans.

(d) ((The authority may charge districts a one-time set-up fee for employee groups enrolling in authority plans for the first time.)) Beginning January 1, 2020, all school districts and educational service districts shall commence participation in the school employees' benefits board program established under section 801 of this act. All school districts and educational service districts, and all district employee groups participating in the public employees' benefits board plans before January 1, 2020, shall thereafter participate in the school employees' benefits board program administered by the authority.

(e) For the purposes of this subsection:

(i) "District" means school district and educational service district; and

(ii) "Tiered rates" means the amounts the authority must pay to insuring entities by plan and by family size.

(f) Notwithstanding this subsection and RCW 41.05.065(4), the authority may allow districts enrolled on a tiered rate structure prior to September 1, 2002, and until January 1, 2020, to continue participation based on the same rate structure and under the same conditions and eligibility criteria.

(5) The authority shall transmit a recommendation for the amount of the employer contributions to the governor and the director of financial management for inclusion in the proposed budgets submitted to the legislature.

Sec. 807. RCW 41.05.055 and 2009 c 537 s 6 are each amended to read as follows:

SEBB—PEBB—CONFORMING AMENDMENTS.

(1) The public employees' benefits board is created within the authority. The function of the board is to design and approve insurance benefit plans for employees and to establish eligibility criteria for participation in insurance benefit plans.

(2) The board shall be composed of nine members <u>through December 31</u>, <u>2019</u>, and of eight members thereafter, appointed by the governor as follows:

(a) Two representatives of state employees, one of whom shall represent an employee union certified as exclusive representative of at least one bargaining unit of classified employees, and one of whom is retired, is covered by a program under the jurisdiction of the board, and represents an organized group of retired public employees;

(b) <u>Through December 31, 2019, two</u> representatives of school district employees, one of whom shall represent an association of school employees <u>as a</u> <u>nonvoting member</u>, and one of whom is retired, and represents an organized group of retired school employees. <u>Thereafter</u>, and only while retired school employees are served by the board, only the retired representative shall serve on the board;

(c) Four members with experience in health benefit management and cost containment. one of whom shall be a nonvoting member; and

(d) The ((administrator)) director.

(3) ((The member who represents an association of school employees and one member appointed pursuant to subsection (2)(c) of this section shall be nonvoting members until such time that there are no less than twelve thousand school district employee subscribers enrolled with the authority for health care eoverage. (4))) The governor shall appoint the initial members of the board to staggered terms not to exceed four years. Members appointed thereafter shall serve two-year terms. Members of the board shall be compensated in accordance with RCW 43.03.250 and shall be reimbursed for their travel expenses while on official business in accordance with RCW 43.03.050 and 43.03.060. The board shall prescribe rules for the conduct of its business. The ((administrator)) director shall serve as chair of the board. Meetings of the board shall be at the call of the chair.

Sec. 808. RCW 41.05.075 and 2007 c 259 s 34 are each amended to read as follows:

SEBB-HEALTH CARE AUTHORITY.

(1) The ((administrator)) director shall provide benefit plans designed by the board and the school employees' benefits board through a contract or contracts with insuring entities, through self-funding, self-insurance, or other methods of providing insurance coverage authorized by RCW 41.05.140. The process of contracting for plans offered by the school employees' benefits board is subject to oversight and direction by the school employees' benefits board.

(2) The ((administrator)) director, subject to school employees' benefits board direction for plans offered to school employees, shall establish a contract bidding process that:

(a) Encourages competition among insuring entities;

(b) Maintains an equitable relationship between premiums charged for similar benefits and between risk pools including premiums charged for retired state and school district employees under the separate risk pools established by RCW 41.05.022 and 41.05.080 such that insuring entities may not avoid risk when establishing the premium rates for retirees eligible for medicare;

(c) Is timely to the state budgetary process; and

(d) Sets conditions for awarding contracts to any insuring entity.

(3) School districts directly providing medical and dental benefits plans and contracted insuring entities providing medical and dental benefits plans to school districts on December 31, 2017, shall provide the school employees' benefits board and authority specified data by January 1, 2019, to support an initial benefits plans procurement. At a minimum, the data must cover the period January 1, 2014, through August 1, 2018, and include:

(a) A summary of the benefit packages offered to each group of district employees, including covered benefits, point-of-service cost-sharing, member count, and the group policy number;

(b) Aggregated subscriber and member demographic information, including age band and gender, by insurance tier by month and by benefit packages;

(c) Monthly total by benefit package, including premiums paid, inpatient facility claims paid, outpatient facility claims paid, physician claims paid, pharmacy claims paid, capitation amounts paid, and other claims paid;

(d) A listing for calendar years 2014 through 2017 of large claims defined as annual amounts paid in excess of one hundred thousand dollars including the amount paid, the member enrollment status, and the primary diagnosis; and

(e) A listing of calendar year 2018 allowed claims by provider entity.

Any data that may be confidential and contain personal health information may be protected in accordance with a data-sharing agreement.

(4) The ((administrator)) director shall establish a requirement for review of utilization and financial data from participating insuring entities on a quarterly basis.

(((4))) (5) The ((administrator)) director shall centralize the enrollment files for all employee and retired or disabled school employee health plans offered under chapter 41.05 RCW and develop enrollment demographics on a planspecific basis.

(((5))) (6) All claims data shall be the property of the state. The ((administrator)) director may require of any insuring entity that submits a bid to contract for coverage all information deemed necessary including:

(a) Subscriber or member demographic and claims data necessary for risk assessment and adjustment calculations in order to fulfill the ((administrator's)) <u>director's</u> duties as set forth in this chapter; and

(b) Subscriber or member demographic and claims data necessary to implement performance measures or financial incentives related to performance under subsection (((7))) (8) of this section.

(((6))) (7) All contracts with insuring entities for the provision of health care benefits shall provide that the beneficiaries of such benefit plans may use on an equal participation basis the services of practitioners licensed pursuant to chapters 18.22, 18.25, 18.32, 18.53, 18.57, 18.71, 18.74, 18.83, and 18.79 RCW, as it applies to registered nurses and advanced registered nurse practitioners. However, nothing in this subsection may preclude the ((administrator)) director from establishing appropriate utilization controls approved pursuant to RCW 41.05.065(2) (a), (b), and (d).

 $(((\frac{7})))$  (8) The  $((\frac{\text{administrator}}))$  director shall, in collaboration with other state agencies that administer state purchased health care programs, private health care purchasers, health care facilities, providers, and carriers:

(a) Use evidence-based medicine principles to develop common performance measures and implement financial incentives in contracts with insuring entities, health care facilities, and providers that:

(i) Reward improvements in health outcomes for individuals with chronic diseases, increased utilization of appropriate preventive health services, and reductions in medical errors; and

(ii) Increase, through appropriate incentives to insuring entities, health care facilities, and providers, the adoption and use of information technology that contributes to improved health outcomes, better coordination of care, and decreased medical errors;

(b) Through state health purchasing, reimbursement, or pilot strategies, promote and increase the adoption of health information technology systems, including electronic medical records, by hospitals as defined in RCW 70.41.020(((4))), integrated delivery systems, and providers that:

(i) Facilitate diagnosis or treatment;

(ii) Reduce unnecessary duplication of medical tests;

(iii) Promote efficient electronic physician order entry;

(iv) Increase access to health information for consumers and their providers; and

(v) Improve health outcomes;

 $(((\frac{8})))$  The  $((\frac{administrator}))$  <u>director</u> may permit the Washington state health insurance pool to contract to utilize any network maintained by the authority or any network under contract with the authority.

Sec. 809. RCW 41.05.120 and 2005 c 518 s 921 and 2005 c 143 s 3 are each reenacted and amended to read as follows:

SEBB INSURANCE ACCOUNT.

(1) The public employees' and retirees' insurance account is hereby established in the custody of the state treasurer, to be used by the ((administrator)) director for the deposit of contributions, the remittance paid by school districts and educational service districts under RCW 28A.400.410, reserves, dividends, and refunds, for payment of premiums for employee and retiree insurance benefit contracts and subsidy amounts provided under RCW 41.05.085, and transfers from the ((medical)) flexible spending administrative account as authorized in RCW 41.05.123. Moneys from the account shall be disbursed by the state treasurer by warrants on vouchers duly authorized by the ((administrator)) director. Moneys from the account may be transferred to the ((medical)) flexible spending administrative account to provide reserves and start-up costs for the operation of the ((medical)) flexible spending administrative account program.

(2) The state treasurer and the state investment board may invest moneys in the public employees' and retirees' insurance account. All such investments shall be in accordance with RCW 43.84.080 or 43.84.150, whichever is applicable. The ((administrator)) director shall determine whether the state treasurer or the state investment board or both shall invest moneys in the public employees' (([and retirees'])) and retirees' insurance account.

(3) ((During the 2005-07 fiscal biennium, the legislature may transfer from the public employees' and retirees' insurance account such amounts as reflect the excess fund balance of the fund.)) The school employees' insurance account is hereby established in the custody of the state treasurer, to be used by the director for the deposit of contributions, reserves, dividends, and refunds, for payment of premiums for school employee insurance benefit contracts. Moneys from the account shall be disbursed by the state treasurer by warrants on vouchers duly authorized by the director.

(4) The state treasurer and the state investment board may invest moneys in the school employees' insurance account. These investments must be in accordance with RCW 43.84.080 or 43.84.150, whichever is applicable. The director shall determine whether the state treasurer or the state investment board or both shall invest moneys in the school employees' insurance account.

Sec. 810. RCW 41.05.130 and 2014 c 221 s 914 are each amended to read as follows:

SEBB INSURANCE ADMINISTRATIVE ACCOUNT.

(1) The state health care authority administrative account is hereby created in the state treasury. Moneys in the account, including unanticipated revenues under RCW 43.79.270, may be spent only after appropriation by statute, and may be used only for operating expenses of the authority, and during the 20132015 fiscal biennium, for health care related analysis provided to the legislature by the office of the state actuary. During the 2017-2019 and 2019-2021 fiscal biennia, moneys in the account may be used for the initial operating expenses of the authority associated with chapter . . ., Laws of 2017 3rd sp. sess. (this act). All funds so used shall be reimbursed from the school employees' insurance administrative account following the start of benefit provision by the school employees' benefits board on January 1, 2020.

(2) The school employees' insurance administrative account is hereby created in the state treasury. Moneys in the account may be used for operating, contracting, and other administrative expenses of the authority in administration of the school employees insurance program, including reimbursement of the state health care authority administrative account for initial operating expenses of the authority associated with chapter . . ., Laws of 2017 3rd sp. sess. (this act).

Sec. 811. RCW 41.05.143 and 2007 c 507 s 1 are each amended to read as follows:

SEBB MEDICAL BENEFITS ACCOUNT.

(1) The uniform medical plan benefits administration account is created in the custody of the state treasurer. Only the ((administrator)) director or the ((administrator's)) director's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures for uniform medical plan claims administration, data analysis, utilization management, preferred provider administration, and activities related to benefits administration where the level of services provided pursuant to a contract fluctuate as a direct result of changes in uniform medical plan enrollment. Moneys in the account may also be used for administrative activities required to respond to new and unforeseen conditions that impact the uniform medical plan, but only when the authority and the office of financial management jointly agree that such activities must be initiated prior to the next legislative session.

(2) Receipts from amounts due from or on behalf of uniform medical plan enrollees for expenditures related to benefits administration, including moneys disbursed from the public employees' and retirees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. All proposals for allotment increases shall be provided to the house of representatives appropriations committee and to the senate ways and means committee at the same time as they are provided to the office of financial management.

(3) The uniform dental plan benefits administration account is created in the custody of the state treasurer. Only the ((administrator)) director or the ((administrator's)) director's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures related to benefits administration for the uniform dental plan as established under RCW 41.05.140. Receipts from amounts due from or on behalf of uniform dental plan enrollees for expenditures related to benefits administration, including moneys disbursed from the public employees' and retirees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

(4) The public employees' benefits board medical benefits administration account is created in the custody of the state treasurer. Only the ((administrator)) director or the ((administrator's)) director's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures related to claims administration, data analysis, utilization management, preferred provider administration, and other activities related to benefits administration for self-insured medical plans other than the uniform medical plan. Receipts from amounts due from or on behalf of enrollees for expenditures related to benefits administration, including moneys disbursed from the public employees' and retirees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(5) The school employees' benefits board medical benefits administration account is created in the custody of the state treasurer. Only the director or the director's designee may authorize expenditures from the account. Moneys in the account shall be used exclusively for contracted expenditures related to claims administration, data analysis, utilization management, preferred provider administration, and other activities related to benefits administration for self-insured medical plans other than the uniform medical plan. Receipts from amounts due from or on behalf of enrollees for expenditures related to benefits administration, including moneys disbursed from the school employees' insurance account, shall be deposited into the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

Sec. 812. RCW 41.05.670 and 2011 c 316 s 6 are each amended to read as follows:

### SEBB IMPLEMENTATION.

(1) Effective January 1, 2013, the authority must contract with all of the public employees' benefits board managed care plans and the self-insured plan or plans to include provider reimbursement methods that incentivize chronic care management within health homes resulting in reduced emergency department and inpatient use.

(2) Health home services contracted for under this section may be prioritized to enrollees with complex, high cost, or multiple chronic conditions.

(3) For the purposes of this section, "chronic care management((,))" and "health home" have the same meaning as in RCW 74.09.010.

(4) Contracts with fully insured plans and with any third-party administrator for the self-funded plan that include the items in subsection (1) of this section must be funded within the resources provided by employer funding rates provided for employee health benefits in the omnibus appropriations act.

(5) Nothing in this section shall require contracted third-party health plans administering the self-insured contract to expend resources to implement items in subsection (1) of this section beyond the resources provided by employer funding rates provided for employee health benefits in the omnibus appropriations act or from other sources in the absence of these provisions.

(6) The school employees' benefits board, under section 801 of this act, shall implement the provisions of this section, effective January 1, 2020.

Sec. 813. RCW 28A.400.270 and 1990 1st ex.s. c 11 s 4 are each amended to read as follows:

SEBB CONFORMING AMENDMENTS.

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 28A.400.275 and 28A.400.280.

(1) "School district employee benefit plan" means the overall plan used by the district for distributing fringe benefit subsidies to employees, including the method of determining employee coverage ((and the amount of employer contributions, as well as the characteristics of benefit providers and the specific benefits or coverage offered)). It shall not include coverage offered to district employees for which there is no contribution from public funds.

(2) "Fringe benefit" does not include liability coverage, old-age survivors' insurance, workers' compensation, unemployment compensation, retirement benefits under the Washington state retirement system, or payment for unused leave for illness or injury under RCW 28A.400.210.

(3) "Basic benefits" ((are determined through local bargaining and)) are limited to medical, dental, vision, group term life, and group long-term disability insurance coverage.

(4) "Benefit providers" include insurers, third party claims administrators, direct providers of employee fringe benefits, health maintenance organizations, health care service contractors, and the Washington state health care authority or any plan offered by the authority.

(5) "Group term life insurance coverage" means term life insurance coverage provided for, at a minimum, all full-time employees in a bargaining unit or all full-time nonbargaining group employees.

(6) "Group long-term disability insurance coverage" means long-term disability insurance coverage provided for, at a minimum, all full-time employees in a bargaining unit or all full-time nonbargaining group employees.

Sec. 814. RCW 28A.400.275 and 2012 2nd sp.s. c 3 s 4 are each amended to read as follows:

SEBB COMPLIANCE AND REPORTING.

(1) Any contract or agreement for employee benefits executed after April 13, 1990, between a school district and a benefit provider or employee bargaining unit is null and void unless it contains an agreement to abide by state laws relating to school district employee benefits. The term of the contract or agreement may not exceed one year.

(2) <u>Through December 31, 2019, school</u> districts and their benefit providers shall annually submit, by a date determined by the office of the insurance commissioner, the following information and data for the prior calendar year to the office of the insurance commissioner:

(a) Progress by the district and its benefit providers toward greater affordability for full family coverage, health care cost savings, and significantly reduced administrative costs;

(b) Compliance with the requirement to provide a high deductible health plan option with a health savings account;

(c) An overall plan summary including the following:

(i) The financial plan structure and overall performance of each health plan including:

(A) Total premium expenses;

(C) Claims reserves; and

(D) Plan administration expenses, including compensation paid to brokers;

(ii) A description of the plan's use of innovative health plan features designed to reduce health benefit premium growth and reduce utilization of unnecessary health services including but not limited to the use of enrollee health assessments or health coach services, care management for high cost or high-risk enrollees, medical or health home payment mechanisms, and plan features designed to create incentives for improved personal health behaviors;

(iii) Data to provide an understanding of employee health benefit plan coverage and costs, including: The total number of employees and, for each employee, the employee's full-time equivalent status, types of coverage or benefits received including numbers of covered dependents, the number of eligible dependents, the amount of the district's contribution to premium, additional premium costs paid by the employee through payroll deductions, and the age and sex of the employee and each dependent;

(iv) Data necessary for school districts to more effectively and competitively manage and procure health insurance plans for employees. The data must include, but not be limited to, the following:

(A) A summary of the benefit packages offered to each group of district employees, including covered benefits, employee deductibles, coinsurance, and copayments, and the number of employees and their dependents in each benefit package;

(B) Aggregated employee and dependent demographic information, including age band and gender, by insurance tier and by benefit package;

(C) Total claim payments by benefit package, including premiums paid, inpatient facility claims paid, outpatient facility claims paid, physician claims paid, pharmacy claims paid, capitation amounts paid, and other claims paid;

(D) Total premiums paid by benefit package;

(E) A listing of large claims defined as annual amounts paid in excess of one hundred thousand dollars including the amount paid, the member enrollment status, and the primary diagnosis:

(F) After December 31, 2018, school districts shall submit such data as required by the school employees' benefits board to administer the consolidated purchasing of health services.

(3) ((Annually)) <u>Through December 31, 2018</u>, school districts and their benefit providers shall jointly report to the office of the insurance commissioner on their health insurance-related efforts and achievements to:

(a) Significantly reduce administrative costs for school districts;

(b) Improve customer service;

(c) Reduce differential plan premium rates between employee only and family health benefit premiums;

(d) Protect access to coverage for part-time K-12 employees.

(4) The information and data shall be submitted in a format and according to a schedule established by the office of the insurance commissioner under RCW 48.02.210 to enable the commissioner to meet the reporting obligations under that section.

(5) <u>Through December 31, 2018, any benefit provider offering a benefit</u> plan by contract or agreement with a school district under subsection (1) of this section shall make available to the school district the benefit plan descriptions and, where available, the demographic information on plan subscribers that the district and benefit provider are required to report to the office of the insurance commissioner under this section. <u>After December 31, 2018, a benefit provider</u> <u>shall submit such data to the school employees' benefits board.</u>

(6) ((This section shall not apply to benefit plans offered in the 1989 90 school year.)) Each school district shall:

(a) Carry out all actions required by the school employees' benefits board and the health care authority under chapter 41.05 RCW including, but not limited to, those necessary for the operation of benefit plans, education of employees, claims administration, and appeals process; and

(b) Report all data relating to employees eligible to participate in benefits or plans administered by the school employees' benefits board and the health care authority in a format designed and communicated by the school employees' benefits board and the health care authority.

Sec. 815. RCW 28A.400.280 and 2012 2nd sp.s. c 3 s 2 are each amended to read as follows:

SEBB CONFORMING AMENDMENTS.

(1) Except as provided in subsection (2) of this section, school districts may provide employer fringe benefit contributions after October 1, 1990, only for basic benefits. However, school districts may continue payments under contracts with employees or benefit providers in effect on April 13, 1990, until the contract expires.

(2) School districts may provide employer contributions after October 1, 1990, and until December 31, 2019, for optional benefit plans, in addition to basic benefits((, only for employees included in pooling arrangements under this subsection)). Optional benefits may include direct agreements as defined in chapter 48.150 RCW, ((but)) and may ((not)) include employee beneficiary accounts that can be liquidated by the employee on termination of employment. Optional benefit plans may be offered only if:

(a) ((The school district pools benefit allocations among employees using a pooling arrangement that includes at least one employee bargaining unit and/or all nonbargaining group employees;

(b) Each full-time employee included in the pooling arrangement is offered basic benefits, including coverage for dependents;

(c) Each employee included in the pooling arrangement who elects medical benefit coverage pays a minimum premium charge subject to collective bargaining under chapter 41.59 or 41.56 RCW;

(d) The employee premiums are structured to ensure employees selecting richer benefit plans pay the higher premium;

(e))) Each full-time employee ((included in the pooling arrangement)), regardless of the number of dependents receiving basic coverage, receives the same additional employer contribution for other coverage or optional benefits; and

(((f))) (b) For part-time employees ((included in the pooling arrangement)), participation in optional benefit plans shall be governed by the same eligibility criteria and/or proration of employer contributions used for allocations for basic benefits.

(3) ((Savings accruing to school districts due to limitations on benefit options under this section shall be pooled and made available by the districts to reduce out of pocket premium expenses for employees needing basic coverage for dependents.)) School districts are not intended to divert state <u>basic</u> benefit allocations for other purposes, and beginning January 1, 2020, no basic or optional benefits may be provided by employer contributions if they are not provided by the school employees' benefits board administered by the health care authority, and consistent with RCW 41.56.500(2).

Sec. 816. RCW 28A.400.350 and 2012 2nd sp.s. c 3 s 3 are each amended to read as follows:

SEBB CONFORMING AMENDMENTS.

(1) The board of directors of any of the state's school districts or educational service districts may make available <u>medical</u>, <u>dental</u>, <u>vision</u>, liability, life, ((<del>health, health care,</del>)) accident, disability, and salary protection or insurance, direct agreements as defined in chapter 48.150 RCW, or any one of, or a combination of the types of employee benefits enumerated in this subsection, or any other type of insurance or protection, for the members of the boards of directors, the students, and employees of the school district or educational service district, and their dependents. <u>Except as provided in subsection (6) of this section</u>, such coverage may be provided by contracts or agreements with private carriers, with the state health care authority ((after July 1, 1990, pursuant to the approval of the authority administrator</u>)), or through self-insurance or self-funding pursuant to chapter 48.62 RCW, or in any other manner authorized by law. Any direct agreement must comply with RCW 48.150.050.

(2)(a) Whenever funds are available for these purposes the board of directors of the school district or educational service district may contribute all or a part of the cost of such protection or insurance for the employees of their respective school districts or educational service districts and their dependents. The premiums on such liability insurance shall be borne by the school district or educational service district.

(b) After October 1, 1990, school districts may not contribute to any employee protection or insurance other than liability insurance unless the district's employee benefit plan conforms to RCW 28A.400.275 and 28A.400.280.

(c) After December 31, 2019, school district contributions to any employee insurance that is purchased through the health care authority must conform to the requirements established by chapter 41.05 RCW and the school employees' benefits board.

(3) For school board members, educational service district board members, and students, the premiums due on such protection or insurance shall be borne by the assenting school board member, educational service district board member, or student. The school district or educational service district may contribute all or part of the costs, including the premiums, of life, health, health care, accident or disability insurance which shall be offered to all students participating in interschool activities on the behalf of or as representative of their school, school district, or educational service district. The school district board of directors and the educational service district board may require any student participating in extracurricular interschool activities to, as a condition of participation, document evidence of insurance or purchase insurance that will

provide adequate coverage, as determined by the school district board of directors or the educational service district board, for medical expenses incurred as a result of injury sustained while participating in the extracurricular activity. In establishing such a requirement, the district shall adopt regulations for waiving or reducing the premiums of such coverage as may be offered through the school district or educational service district to students participating in extracurricular activities, for those students whose families, by reason of their low income, would have difficulty paying the entire amount of such insurance premiums. The district board shall adopt regulations for waiving or reducing the insurance coverage requirements for low-income students in order to assure such students are not prohibited from participating in extracurricular interschool activities.

(4) All contracts or agreements for insurance or protection written to take advantage of the provisions of this section shall provide that the beneficiaries of such contracts may utilize on an equal participation basis the services of those practitioners licensed pursuant to chapters 18.22, 18.25, 18.53, 18.57, and 18.71 RCW.

(5)(a) Until the creation of the school employees' benefits board under section 801 of this act, school districts offering medical, vision, and dental benefits shall:

(((a))) (i) Offer a high deductible health plan option with a health savings account that conforms to section 223, part VII of subchapter 1 of the internal revenue code of 1986. School districts shall comply with all applicable federal standards related to the establishment of health savings accounts;

(((b))) (ii) Make progress toward employee premiums that are established to ensure that full family coverage premiums are not more than three times the premiums for employees purchasing single coverage for the same coverage plan, unless a subsequent premium differential target is defined as a result of the review and subsequent actions described in RCW 41.05.655;

(((e))) (iii) Offer employees at least one health benefit plan that is not a high deductible health plan offered in conjunction with a health savings account in which the employee share of the premium cost for a full-time employee, regardless of whether the employee chooses employee-only coverage or coverage that includes dependents, does not exceed the share of premium cost paid by state employees during the state employee benefits year that started immediately prior to the school year.

(((6))) (b) All contracts or agreements for employee benefits must be held to responsible contracting standards, meaning a fair, prudent, and accountable competitive procedure for procuring services that includes an open competitive process, except where an open process would compromise cost-effective purchasing, with documentation justifying the approach.

(((7))) (c) School districts offering medical, vision, and dental benefits shall also make progress on promoting health care innovations and cost savings and significantly reduce administrative costs.

 $(((\frac{8})))$  (d) All contracts or agreements for insurance or protection described in this section shall be in compliance with chapter 3, Laws of 2012 2nd sp. sess.

(((9))) (e) Upon notification from the office of the insurance commissioner of a school district's substantial noncompliance with the data reporting requirements of RCW 28A.400.275, and the failure is due to the action or

inaction of the school district, and if the noncompliance has occurred for two reporting periods, the superintendent is authorized and required to limit the school district's authority provided in subsection (1) of this section regarding employee health benefits to the provision of health benefit coverage provided by the state health care authority.

(6) The authority to make available basic and optional benefits to school employees under this section expires December 31, 2019. Beginning January 1, 2020, school districts and educational service districts shall make available basic and optional benefits through plans offered by the health care authority and the school employees' benefits board.

Sec. 817. RCW 41.56.500 and 2010 c 235 s 802 are each amended to read as follows:

SEBB AND COLLECTIVE BARGAINING AGREEMENTS.

(1) All collective bargaining agreements entered into between a school district employer and school district employees under this chapter after June 10, 2010, as well as bargaining agreements existing on June 10, 2010, but renewed or extended after June 10, 2010, shall be consistent with RCW 28A.657.050.

(2) All collective bargaining agreements entered into between a school district employer and school district employees under this chapter shall be consistent with RCW 28A.400.280 and 28A.400.350.

(3) Employee bargaining shall be initiated after July 1, 2018, over the dollar amount to be contributed for school employee health benefits beginning January 1, 2020, on behalf of each employee for health care benefits. Bargaining must subsequently be conducted in even-numbered years between the governor or governor's designee and one coalition of all the exclusive bargaining representatives impacted by benefit purchasing with the school employees' benefits board established in section 801 of this act, consistent with RCW 28A.400.280 and 28A.400.350. The coalition bargaining must follow the model initially established for state employees in RCW 41.80.020.

(4) The governor shall submit a request for funds necessary to implement the collective bargaining agreement for the dollar amount to be expended for school employee health benefits, or for legislation necessary to implement the agreement. A request for funds shall not be submitted to the legislature by the governor unless such request:

(a) Has been submitted to the director of the office of financial management by October 1st prior to the legislative session at which the request is to be considered; and

(b) Has been certified by the director of the office of financial management as being feasible financially for the state.

The legislature shall approve or reject the submission of the request for funds. The legislature shall not consider a request for funds unless the request is transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060.

If the legislature rejects or fails to act on the submission, either party may reopen all or part of the agreement. However, if the director of the office of financial management does not certify a request under this section as being feasible financially for the state, the parties shall enter into collective bargaining solely for the purpose of reaching a mutually agreed upon modification of the agreement necessary to address the absence of those requested funds. The legislature may act upon the health care benefit provisions of the modified collective bargaining agreement if those provisions are agreed upon and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating budget. If the legislature rejects or fails to act on the submission, either party may reopen all or part of the agreement.

Sec. 818. RCW 41.59.105 and 2010 c 235 s 803 are each amended to read as follows:

SEBB AND COLLECTIVE BARGAINING AGREEMENTS.

(1) All collective bargaining agreements entered into between a school district employer and school district employees under this chapter after June 10, 2010, as well as bargaining agreements existing on June 10, 2010, but renewed or extended after June 10, 2010, shall be consistent with RCW 28A.657.050.

(2) All collective bargaining agreements entered into between a school district employer and school district employees under this chapter shall be consistent with RCW 28A.400.280 and 28A.400.350.

(3) Employee bargaining shall be initiated after July 1, 2018, over the dollar amount to be contributed beginning January 1, 2020, on behalf of each employee for health care benefits. Bargaining must subsequently be conducted in evennumbered years between the governor or governor's designee and one coalition of all the exclusive bargaining representatives impacted by benefit purchasing with the school employees' benefits board established in section 801 of this act, consistent with RCW 28A.400.280 and 28A.400.350. The coalition bargaining must follow the model initially established for state employees in RCW 41.80.020.

(4) The governor shall submit a request for funds necessary to implement the collective bargaining agreement for the dollar amount to be expended for school employee health benefits, or for legislation necessary to implement the agreement. A request for funds shall not be submitted to the legislature by the governor unless such request:

(a) Has been submitted to the director of the office of financial management by October 1st prior to the legislative session at which the request is to be considered; and

(b) Has been certified by the director of the office of financial management as being feasible financially for the state.

The legislature shall approve or reject the submission of the request for funds. The legislature shall not consider a request for funds unless the request is transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060.

If the legislature rejects or fails to act on the submission, either party may reopen all or part of the agreement. However, if the director of the office of financial management does not certify a request under this section as being feasible financially for the state, the parties shall enter into collective bargaining solely for the purpose of reaching a mutually agreed upon modification of the agreement necessary to address the absence of those requested funds. The legislature may act upon the health care benefit provisions of the modified collective bargaining agreement if those provisions are agreed upon and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental

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operating budget. If the legislature rejects or fails to act on the submission, either party may reopen all or part of the agreement.

**Sec. 819.* RCW 48.02.210 and 2012 2nd sp.s. c 3 s 5 are each amended to read as follows:

SEBB CONFORMING AMENDMENTS.

(1) For purposes of this section, "benefit provider" has the same meaning as provided in RCW 28A.400.270.

(2)(a) By December 1, 2013, and December 1st of each year thereafter through December 1, 2018, the commissioner shall submit a report to the governor, the health care authority, and the legislature on school district health insurance benefits. The report shall be available to the public on the commissioner's web site. The confidentiality of personally identifiable district employee data shall be safeguarded consistent with the provisions of RCW 42.56.400(21).

(b) The report shall include a summary of each school district's health insurance benefit plans and each district's aggregated financial data and other information as required in RCW 28A.400.275.

(3) The commissioner shall collect data from school districts or their benefit providers <u>through December 1, 2018</u>, as <u>needed</u> to fulfill the requirements of this section. The commissioner may adopt rules necessary to implement the data submission requirements under this section and RCW 28A.400.275, including, but not limited to, the format, timing of data reporting, data elements, data standards, instructions, definitions, and data sources.

(4) In fulfilling the duties under chapter 3, Laws of 2012 2nd sp. sess., the commissioner shall consult with school district representatives to ensure that the data and reports from benefit providers will give individual school districts sufficient information to enhance districts' ability to understand, manage, and seek competitive alternatives for health insurance coverage for their employees.

(5) If the commissioner determines that a school district has not substantially complied with the reporting requirements of RCW 28A.400.275, and the failure is due to the action or inaction of the school district, the commissioner will inform the superintendent of public instruction of the noncompliance.

(6) Data, information, and documents, other than those described in subsection (2) of this section, that are provided by a school district or an entity providing coverage pursuant to this section are exempt from public inspection and copying under chapter 3, Laws of 2012 2nd sp. sess. and chapters 42.17A and 42.56 RCW.

(7) If a school district or benefit provider does not comply with the data reporting requirements of this section or RCW 28A.400.275, and the failure is due to the actions of an entity providing coverage authorized under <u>this title</u> ((<del>48 RCW</del>)), the commissioner may take enforcement actions under this chapter.

(8) The commissioner may enter into one or more personal services contracts with third-party contractors to provide services necessary to accomplish the commissioner's responsibilities under chapter 3, Laws of 2012 2nd sp. sess.

*Sec. 819 was vetoed. See message at end of chapter.

### PART IX

## **OTHER EDUCATION PROVISIONS**

NEW SECTION. Sec. 901. ABSENTEEISM. The legislature finds that research shows that students who are chronically absent from school have lower levels of reading proficiency, reduced high school graduation rates, and less success in college. The legislature acknowledges that recent legislative actions have shifted the state's focus from truancy compliance to prevention of chronic student absences. The legislature recognizes that the superintendent of public instruction has incorporated in the state plan to implement the every student succeeds act chronic student absenteeism as one of three accountability measures. The legislature finds that addressing chronic student absenteeism and developing good school attendance habits are solvable problems. The legislature intends to support addressing chronic student absenteeism by providing state funding in the omnibus appropriations act for the 2017-2019 biennium. The legislature further intends for some of the state funding provided to facilitate a statewide accountability system to improve student graduation rates by, among other things, providing assistance to school districts about successful strategies to address chronic student absenteeism.

<u>NEW SECTION.</u> Sec. 902. TEACHER AND PRINCIPAL EVALUATION PROGRAM UPDATE. By November 1, 2017, the superintendent of public instruction shall provide an update to the education policy and the operating budget committees of the legislature on the implementation of the teacher and principal evaluation program. The update must include the following:

(1) An overview of the evaluation process including the eight evaluator criteria for teacher and principals, the three approved teacher instructional frameworks, the approved principal leadership frameworks, and how student growth and professional learning plans are used in the evaluation process;

(2) An update of the school district school employee evaluation survey information that displays the total percentage of teachers and principals in each of the four levels of summative performance ratings: Distinguished, proficient, basic, and unsatisfactory; and a comparison of this data to the survey data from the 2014-15 school year;

(3) Information regarding scoring and the consequences or outcomes of evaluations;

(4) A review of the state and district programs that are in place to help struggling teachers; and

(5) Any recommendations for improving the evaluation program.

<u>NEW SECTION.</u> Sec. 903. INTENT REGARDING ENRICHED STAFFING VALUES. The legislature recognizes that legislation enacted in 2014 and 2015 established a phase-in of increased school district staffing ratios. Under current law, these increased staffing ratios begin in the 2019-2021 biennium and exceed the school district staffing ratios established in chapter 236, Laws of 2010 (Substitute House Bill No. 2776) and in chapter . . ., Laws of 2017 3rd sp. sess. (this act). In light of the education investments funded pursuant to the 2010 and 2017 legislation, the legislature intends to review and prioritize future staffing ratio increases to focus on reducing the opportunity gap,

assisting struggling students, enhancing the educational outcomes for all students, and strengthening support for all schools and school district staff.

<u>NEW SECTION.</u> Sec. 904. A new section is added to chapter 28A.400 RCW to read as follows:

STAFFING ENRICHMENTS TO THE PROGRAM OF BASIC EDUCATION.

(1) In addition to the staffing units in RCW 28A.150.260, the superintendent of public instruction must provide school districts with allocations for the following staff units if and to the extent that funding is specifically appropriated and designated for that category of staffing unit in the omnibus operating appropriations act.

(a) Additional staffing units for each level of prototypical school in RCW 28A.150.260:

	Elementary School	Middle School	High School
Principals, assistant principals, and other certificated building-level administrators	0.0470	0.0470	0.0200
Teacher librarians, a function that includes information literacy, technology, and media to support school library media programs	0.3370	0.4810	0.4770
Health and social services:			
School nurses	0.5090	0.8280	0.7280
Social workers	0.2690	0.0820	0.1120
Psychologists	0.0870	0.0220	0.0420
Guidance counselors, a function that includes parent outreach and graduation advising	0.0070	0.7840	0.9610
	Elementary School	Middle School	High School
Teaching assistance, including any aspect of educational instructional services provided by			
classified employees	1.0640	0.3000	0.3480
Office support and other noninstructional aides	0.9880	1.1750	0.2310
Custodians	0.0430	0.0580	0.0350
Classified staff providing student and staff safety	0.0000	0.6080	1.1590
Parent involvement coordinators	0.9175	1.0000	1.0000

(b) Additional certificated instructional staff units sufficient to achieve the following reductions in class size in each level of prototypical school under RCW 28A.150.260:

General education
certificated instructional
staff units sufficient to
achieve class size reduction of:
Grades K-3 class size
Grade 4
Grades 5-62.00
Grades 7-8
Grades 9-12

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СТЕ	
Skills	
	High poverty
	certificated instructional
	staff units sufficient to
	achieve class size reduction of:
Grades K-3 class size	
Grade 4	
Grades 5-6	
Grades 7-8	
Grades 9-12	

(2) The staffing units in subsection (1) of this section are an enrichment to and are beyond the state's statutory program of basic education in RCW 28A.150.220 and 28A.150.260. However, if and to the extent that any of these additional staffing units are funded by specific reference to this section in the omnibus operating appropriations act, those units become part of prototypical school funding formulas and a component of the state funding that the legislature deems necessary to support school districts in offering the statutory program of basic education under Article IX, section 1 of the state Constitution.

<u>NEW SECTION.</u> Sec. 905. REVIEW AND PRIORITIZATION OF ADDITIONAL STAFFING ENRICHMENTS. (1) The superintendent of public instruction shall convene a technical work group, which must include representatives of diverse school districts and education stakeholders, to review the staffing enrichments to the program of basic education detailed in section 904 of this act. The superintendent, together with the technical work group, shall make recommendations to the legislature on a possible phase-in plan of staffing enrichments that prioritizes the enrichments that are research or evidence-based strategies for reducing the opportunity gap, assisting struggling students, enhancing the educational outcomes for all students, or strengthening support for all school and school district staff. The superintendent shall report the recommendations to the education policy and operating budget committees of the legislature by December 1, 2019.

(2) This section expires June 30, 2020.

<u>NEW SECTION.</u> Sec. 906. REPEALERS. The following acts or parts of acts are each repealed:

(1) RCW 28A.150.261 (State funding to support instructional program of basic education—Schedule of increased allocations) and 2015 3rd sp.s. c 38 s 2 & 2015 c 2 s 3;

- (2) 2015 c 2 s 1 (uncodified);
- (3) 2015 c 2 s 2;
- (4) 2015 c 2 s 4 (uncodified);
- (5) 2015 3rd sp.s. c 38 s 3 and 2015 c 2 s 5 (uncodified);
- (6) 2015 3rd sp.s. c 38 s 1 (uncodified); and
- (7) 2015 3rd sp.s. c 38 s 4 (uncodified).

# PART X

# MISCELLANEOUS PROVISIONS

Sec. 1001. RCW 28A.545.030 and 1990 c 33 s 488 are each amended to read as follows:

CONFORMING AMENDMENT.

The purposes of RCW 28A.545.030 through 28A.545.110 and 84.52.0531 are to:

(1) Simplify the annual process of determining and paying the amounts due by nonhigh school districts to high school districts for educating students residing in a nonhigh school district;

(2) Provide for a payment schedule that coincides to the extent practicable with the ability of nonhigh school districts to pay and the need of high school districts for payment; and

(3) Establish that the maximum amount due per annual average full-time equivalent student by a nonhigh school district for each school year is no greater than the ((maintenance and operation excess tax)) enrichment levy rate per annual average full-time equivalent student levied upon the taxpayers of the high school district.

Sec. 1002. RCW 28A.545.070 and 1990 c 33 s 491 are each amended to read as follows:

CONFORMING AMENDMENT.

(1) The superintendent of public instruction shall annually determine the estimated amount due by a nonhigh school district to a high school district for the school year as follows:

(a) The total of the high school district's ((maintenance and operation excess tax)) enrichment levy that has been authorized and determined by the superintendent of public instruction to be allowable pursuant to RCW 84.52.0531, as now or hereafter amended, for collection during the next calendar year, shall first be divided by the total estimated number of annual average full-time equivalent students which the high school district superintendent or the superintendent of public instruction has certified pursuant to RCW 28A.545.060 will be enrolled in the high school district during the school year;

(b) The result of the calculation provided for in subsection (1)(a) of this section shall then be multiplied by the estimated number of annual average full-time equivalent students residing in the nonhigh school district that will be enrolled in the high school district during the school year which has been established pursuant to RCW 28A.545.060; and

(c) The result of the calculation provided for in subsection (1)(b) of this section shall be adjusted upward to the extent the estimated amount due by a nonhigh school district for the prior school year was less than the actual amount due based upon actual annual average full-time equivalent student enrollments during the previous school year and the actual per annual average full-time equivalent student ((maintenance and operation excess tax)) enrichment levy rate for the current tax collection year, of the high school district, or adjusted downward to the extent the estimated amount due was greater than such actual amount due or greater than such lesser amount as a high school district may have elected to assess pursuant to RCW 28A.545.090.

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(2) The amount arrived at pursuant to subsection (1)(c) of this subsection shall constitute the estimated amount due by a nonhigh school district to a high school district for the school year.

*<u>NEW SECTION.</u> Sec. 1003. REPEALERS. The following acts or parts of acts are each repealed:

(1) RCW 28A.400.201 (Enhanced salary allocation model for educator development and certification—Technical working group—Report and recommendation) and 2016 c 162 s 4, 2011 1st sp.s. c 43 s 468, 2010 c 236 s 7, & 2009 c 548 s 601;

(2) *RCW 28A.415.020* (*Credit on salary schedule for approved in-service training, continuing education, and internship) and 2011 1st sp.s. c 18 s 5, 2007 c 319 s 3, 2006 c 263 s 808, 1995 c 284 s 2, 1990 c 33 s 415, & 1987 c 519 s 1;* 

(3) RCW 28A.415.023 (Credit on salary schedule for approved in-service training, continuing education, or internship—Course content—Rules) and 2012 c 35 s 6 & 2011 1st sp.s. c 18 s 6;

(4) RCW 28A.415.024 (Credit on salary schedule—Accredited institutions—Verification—Penalty for submitting credits from unaccredited institutions) and 2006 c 263 s 809 & 2005 c 461 s 1; and

(5) RCW 28A.415.025 (Internship clock hours—Rules) and 2006 c 263 s 810 & 1995 c 284 s 3.

*Sec. 1003 was vetoed. See message at end of chapter.

Sec. 1004. RCW 28A.510.250 and 2011 1st sp.s. c 4 s 1 are each amended to read as follows:

ALLOCATION SCHEDULE.

(1) On or before the last business day of September 1969 and each month thereafter, the superintendent of public instruction shall apportion from the state general fund to the several educational service districts of the state the proportional share of the total annual amount due and apportionable to such educational service districts for the school districts thereof as follows:

September	 9%
October	 (( <del>9%</del> ))
	<u>8%</u>
November	 (( <del>5.5%</del> ))
	<u>5%</u>
December	 9%
January	 (( <del>9%</del> ))
	<u>8.5%</u>
February	 9%
March	 9%
April	 9%
May	 (( <del>5.5%</del> ))
	<u>5%</u>
June	 6.0%

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July	 (( <del>10.0%</del> ))
	<u>12.5%</u>
August	 10.0%

The annual amount due and apportionable shall be the amount apportionable for all apportionment credits estimated to accrue to the schools during the apportionment year beginning September ((first [1st])) 1st and continuing through August ((thirty-first [31st])) 31st. Appropriations made for school districts for each year of a biennium shall be apportioned according to the schedule set forth in this section for the fiscal year starting September 1st of the then calendar year and ending August 31st of the next calendar year, except as provided in subsection (2) of this section. The apportionment from the state general fund for each month shall be an amount which will equal the amount due and apportionable to the several educational service districts during such month: PROVIDED, That any school district may petition the superintendent of public instruction for an emergency advance of funds which may become apportionable to it but not to exceed ten percent of the total amount to become due and apportionable during the school districts apportionment year. The superintendent of public instruction shall determine if the emergency warrants such advance and if the funds are available therefor. If the superintendent determines in the affirmative, he or she may approve such advance and, at the same time, add such an amount to the apportionment for the educational service district in which the school district is located: PROVIDED, That the emergency advance of funds and the interest earned by school districts on the investment of temporary cash surpluses resulting from obtaining such advance of state funds shall be deducted by the superintendent of public instruction from the remaining amount apportionable to said districts during that apportionment year in which the funds are advanced.

(2) In the 2010-11 school year, the June apportionment payment to school districts shall be reduced by one hundred twenty-eight million dollars, and an additional apportionment payment shall be made on July 1, 2011, in the amount of one hundred twenty-eight million dollars. This July 1st payment shall be in addition to the regularly calculated July apportionment payment.

<u>NEW SECTION.</u> Sec. 1005. EFFECTIVE DATE. Section 1004 of this act takes effect September 1, 2019.

<u>NEW SECTION.</u> Sec. 1006. EFFECTIVE DATE. Sections 102, 505, and 801 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.

<u>NEW SECTION.</u> Sec. 1007. EFFECTIVE DATE. Sections 1001 and 1002 of this act take effect January 1, 2019.

Passed by the House June 30, 2017.

Passed by the Senate June 30, 2017.

Approved by the Governor July 6, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 7, 2017.

Note: Governor's explanation of partial veto is as follows:

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"I am returning herewith, without my approval as to Sections 106, 607, 819, and 1003, Engrossed House Bill No. 2242 entitled:

"AN ACT Relating to funding fully the state's program of basic education by providing equitable education opportunities through reform of state and local education contributions."

Section 106 limits school districts' use of late start and early release days to seven occurrences each school year. Educators use this time to develop new competencies, collaborate with other educators, receive mentoring from senior teachers, and analyze student data to inform instructional practices. Research shows that this time for job-embedded professional learning and collaboration is linked to student success. Limiting practices that improve student achievement goes against the intent of this bill and our goals.

Section 607 requires the Caseload Forecast Council (Council) to convene a technical working group to determine the feasibility of developing a model to aid in school district four-year budget plans. Timely data does not exist to predict school district-level enrollments that factor in business growth and other local factors. The work required in this section is outside the scope of expertise for the Council. No funding is provided in the 2017-19 omnibus appropriations act; therefore, the Council is unable to contract for this work.

Section 819 ends reporting requirements for school employee health insurance benefits, effective December 1, 2018. House Bill 1042, which I am signing today, removes these reporting requirements. Moreover, funding to support these requirements was not included in the budget, so the Office of the Insurance Commissioner will be unable to produce the report.

Section 1003 repeals, among other things, the statutes that govern approved training and continuing education clock hours for the purpose of credit on the salary schedule, effective for the 2017-18 school year. These statutes are essential to compensation in the upcoming school year.

For these reasons I have vetoed Sections 106, 607, 819, and 1003 of Engrossed House Bill No. 2242.

With the exception of Sections 106, 607, 819, and 1003, Engrossed House Bill No. 2242 is approved."

## CHAPTER 14

[Second Engrossed Substitute Senate Bill 5106] INVOLUNTARY TREATMENT ACT--VARIOUS CHANGES

AN ACT Relating to clarifying obligations under the involuntary treatment act; amending RCW 71.05.201, 71.05.203, 71.05.203, 71.05.590, 71.05.590, 71.05.590, 71.05.154, 70.96A.140, 71.05.210, and 71.05.760; reenacting and amending RCW 71.05.201, 71.05.020, 71.05.210, 71.05.230, 71.05.290, 71.05.300, and 71.05.360; creating a new section; providing effective dates; providing expiration dates; and declaring an emergency.

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

### Part One - Joel's Law Amendments

Sec. 1. RCW 71.05.201 and 2016 c 107 s 1 are each amended to read as follows:

(1) If a designated mental health professional decides not to detain a person for evaluation and treatment under RCW 71.05.150 or 71.05.153 or forty-eight hours have elapsed since a designated mental health professional received a request for investigation and the designated mental health professional has not taken action to have the person detained, an immediate family member or guardian or conservator of the person may petition the superior court for the person's initial detention.

(2) <u>A petition under this section must be filed within ten calendar days</u> following the designated mental health professional investigation or the request for a designated mental health professional investigation. If more than ten days have elapsed, the immediate family member, guardian, or conservator may request a new designated mental health professional investigation.

(3)(a) The petition must be filed in the county in which the designated mental health professional investigation occurred or was requested to occur and must be submitted on forms developed by the administrative office of the courts for this purpose. The petition must be accompanied by a sworn declaration from the petitioner, and other witnesses if desired, describing why the person should be detained for evaluation and treatment. The description of why the person should be detained may contain, but is not limited to, the information identified in RCW 71.05.212.

(b) The petition must contain:

 $(i)\ A$  description of the relationship between the petitioner and the person; and

(ii) The date on which an investigation was requested from the designated mental health professional.

(((3))) (4) The court shall, within one judicial day, review the petition to determine whether the petition raises sufficient evidence to support the allegation. If the court so finds, it shall provide a copy of the petition to the designated mental health professional agency with an order for the agency to provide the court, within one judicial day, with a written sworn statement describing the basis for the decision not to seek initial detention and a copy of all information material to the designated mental health professional's current decision.

(((4))) (5) Following the filing of the petition and before the court reaches a decision, any person, including a mental health professional, may submit a sworn declaration to the court in support of or in opposition to initial detention.

 $((\frac{(5)}{)})$  (6) The court shall dismiss the petition at any time if it finds that a designated mental health professional has filed a petition for the person's initial detention under RCW 71.05.150 or 71.05.153 or that the person has voluntarily accepted appropriate treatment.

(((6))) (7) The court must issue a final ruling on the petition within five judicial days after it is filed. After reviewing all of the information provided to the court, the court may enter an order for initial detention if the court finds that: (a) There is probable cause to support a petition for detention; and (b) the person has refused or failed to accept appropriate evaluation and treatment voluntarily. The court shall transmit its final decision to the petitioner.

(((7))) (8) If the court enters an order for initial detention, it shall provide the order to the designated mental health professional agency((, which shall execute the order without delay)) and issue a written order for apprehension of the person by a peace officer for delivery of the person to a facility or emergency room determined by the designated mental health professional. The designated mental health agency serving the jurisdiction of the court must collaborate and coordinate with law enforcement regarding apprehensions and detentions under this subsection, including sharing of information relating to risk and which would assist in locating the person. A person may not be detained to jail pursuant to a written order issued under this subsection. An order for detention under this section should contain the advisement of rights which the person would receive if the person were detained by a designated mental health professional. An order for initial detention under this section expires one hundred eighty days from issuance.

(((8))) (9) Except as otherwise expressly stated in this chapter, all procedures must be followed as if the order had been entered under RCW 71.05.150. RCW 71.05.160 does not apply if detention was initiated under the process set forth in this section.

(((9))) (10) For purposes of this section, "immediate family member" means a spouse, domestic partner, child, stepchild, parent, stepparent, grandparent, or sibling.

**Sec. 2.** RCW 71.05.201 and 2016 sp.s. c 29 s 222 and 2016 c 107 s 1 are each reenacted and amended to read as follows:

(1) If a designated crisis responder decides not to detain a person for evaluation and treatment under RCW 71.05.150 or 71.05.153 or forty-eight hours have elapsed since a designated crisis responder received a request for investigation and the designated crisis responder has not taken action to have the person detained, an immediate family member or guardian or conservator of the person may petition the superior court for the person's initial detention.

(2) A petition under this section must be filed within ten calendar days following the designated crisis responder investigation or the request for a designated crisis responder investigation. If more than ten days have elapsed, the immediate family member, guardian, or conservator may request a new designated crisis responder investigation.

(3)(a) The petition must be filed in the county in which the designated ((mental health professional)) crisis responder investigation occurred or was requested to occur and must be submitted on forms developed by the administrative office of the courts for this purpose. The petition must be accompanied by a sworn declaration from the petitioner, and other witnesses if desired, describing why the person should be detained for evaluation and treatment. The description of why the person should be detained may contain, but is not limited to, the information identified in RCW 71.05.212.

(b) The petition must contain:

(i) A description of the relationship between the petitioner and the person; and

(ii) The date on which an investigation was requested from the designated crisis responder.

(((3))) (4) The court shall, within one judicial day, review the petition to determine whether the petition raises sufficient evidence to support the allegation. If the court so finds, it shall provide a copy of the petition to the designated crisis responder agency with an order for the agency to provide the court, within one judicial day, with a written sworn statement describing the basis for the decision not to seek initial detention and a copy of all information material to the designated crisis responder's current decision.

(((4))) (5) Following the filing of the petition and before the court reaches a decision, any person, including a mental health professional, may submit a sworn declaration to the court in support of or in opposition to initial detention.

 $((\frac{(5)}{)})$  (6) The court shall dismiss the petition at any time if it finds that a designated crisis responder has filed a petition for the person's initial detention under RCW 71.05.150 or 71.05.153 or that the person has voluntarily accepted appropriate treatment.

(((6))) (7) The court must issue a final ruling on the petition within five judicial days after it is filed. After reviewing all of the information provided to the court, the court may enter an order for initial detention if the court finds that: (a) There is probable cause to support a petition for detention; and (b) the person has refused or failed to accept appropriate evaluation and treatment voluntarily. The court shall transmit its final decision to the petitioner.

(((7))) (8) If the court enters an order for initial detention, it shall provide the order to the designated crisis responder agency((, which shall execute the order without delay)) and issue a written order for apprehension of the person by a peace officer for delivery of the person to a facility or emergency room determined by the designated crisis responder. The designated crisis responder agency serving the jurisdiction of the court must collaborate and coordinate with law enforcement regarding apprehensions and detentions under this subsection, including sharing of information relating to risk and which would assist in locating the person. A person may not be detained to jail pursuant to a written order issued under this subsection. An order for detention under this section should contain the advisement of rights which the person would receive if the person were detained by a designated crisis responder. An order for initial detention under this section expires one hundred eighty days from issuance.

(((8))) (9) Except as otherwise expressly stated in this chapter, all procedures must be followed as if the order had been entered under RCW 71.05.150. RCW 71.05.160 does not apply if detention was initiated under the process set forth in this section.

(((9))) (10) For purposes of this section, "immediate family member" means a spouse, domestic partner, child, stepchild, parent, stepparent, grandparent, or sibling.

Sec. 3. RCW 71.05.203 and 2015 c 258 s 3 are each amended to read as follows:

(1) The department and each ((regional support network)) behavioral health organization or agency employing designated mental health professionals shall publish information in an easily accessible format describing the process for an immediate family member, guardian, or conservator to petition for court review of a detention decision under RCW 71.05.201.

(2) A designated mental health professional or designated mental health professional agency that receives a request for investigation for possible detention under this chapter must inquire whether the request comes from an immediate family member, guardian, or conservator who would be eligible to petition under RCW 71.05.201. If the designated mental health professional decides not to detain the person for evaluation and treatment under RCW 71.05.150 or 71.05.153 or forty-eight hours have elapsed since the request for investigation was received and the designated mental health professional has not taken action to have the person detained, the designated mental health professional or designated mental health professional agency must inform the immediate family member, guardian, or conservator who made the request for investigation about the process to petition for court review under RCW 71.05.201 and, to the extent feasible, provide the immediate family member, guardian, or conservator with written or electronic information about the petition process. If provision of written or electronic information is not feasible, the designated mental health professional or designated mental health professional

agency must refer the immediate family member, guardian, or conservator to a web site where published information on the petition process may be accessed. The designated mental health professional or designated mental health professional agency must document the manner and date on which the information required under this subsection was provided to the immediate family member, guardian, or conservator.

(3) A designated mental health professional or designated mental health professional agency must, upon request, disclose the date of a designated mental health professional investigation under this chapter to an immediate family member, guardian, or conservator of a person to assist in the preparation of a petition under RCW 71.05.201.

Sec. 4. RCW 71.05.203 and 2016 sp.s. c 29 s 223 are each amended to read as follows:

(1) The department and each behavioral health organization or agency employing designated crisis responders shall publish information in an easily accessible format describing the process for an immediate family member, guardian, or conservator to petition for court review of a detention decision under RCW 71.05.201.

(2) A designated crisis responder or designated crisis responder agency that receives a request for investigation for possible detention under this chapter must inquire whether the request comes from an immediate family member, guardian, or conservator who would be eligible to petition under RCW 71.05.201. If the designated crisis responder decides not to detain the person for evaluation and treatment under RCW 71.05.150 or 71.05.153 or forty-eight hours have elapsed since the request for investigation was received and the designated crisis responder has not taken action to have the person detained, the designated crisis responder or designated crisis responder agency must inform the immediate family member, guardian, or conservator who made the request for investigation about the process to petition for court review under RCW 71.05.201 and, to the extent feasible, provide the immediate family member, guardian, or conservator with written or electronic information about the petition process. If provision of written or electronic information is not feasible, the designated crisis responder or designated crisis responder agency must refer the immediate family member, guardian, or conservator to a web site where published information on the petition process may be accessed. The designated crisis responder or designated crisis responder agency must document the manner and date on which the information required under this subsection was provided to the immediate family member, guardian, or conservator.

(3) A designated crisis responder or designated crisis responder agency must, upon request, disclose the date of a designated crisis responder investigation under this chapter to an immediate family member, guardian, or conservator of a person to assist in the preparation of a petition under RCW 71.05.201.

<u>NEW SECTION.</u> Sec. 5. By December 15, 2017, the administrative office of the courts, in collaboration with stakeholders, including but not limited to judges, prosecutors, defense attorneys, the department of social and health services, behavioral health advocates, and families, shall: (1) Develop and publish on its web site a user's guide to assist pro se litigants in the preparation

and filing of a petition under RCW 71.05.201; and (2) develop a model order of detention under RCW 71.05.201 which contains an advisement of rights for the detained person.

<u>NEW SECTION.</u> Sec. 6. Sections 1 and 3 of this act expire April 1, 2018.

<u>NEW SECTION.</u> Sec. 7. Sections 2 and 4 of this act take effect April 1, 2018.

### Part Two - Less Restrictive Alternative Revocations

Sec. 8. RCW 71.05.590 and 2015 c 250 s 13 are each amended to read as follows:

(1) <u>Either an agency or facility designated to monitor or provide services</u> under a less restrictive alternative <u>order</u> or conditional release order, or a designated mental health professional, may take action to enforce, modify, or revoke a less restrictive alternative or conditional release order ((if)). The agency, facility, or designated mental health professional ((<del>determines</del>)) <u>must</u> <u>determine</u> that:

(a) The person is failing to adhere to the terms and conditions of the court order;

(b) Substantial deterioration in the person's functioning has occurred;

(c) There is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further evaluation, intervention, or treatment; or

(d) The person poses a likelihood of serious harm.

(2) Actions taken under this section must include a flexible range of responses of varying levels of intensity appropriate to the circumstances and consistent with the interests of the individual and the public in personal autonomy, safety, recovery, and compliance. Available actions may include, but are not limited to, any of the following:

(a) To counsel((5)) <u>or</u> advise(( $\overline{b}$ , or admonish)) the person as to their rights and responsibilities under the court order, and to offer appropriate incentives to motivate compliance;

(b) To increase the intensity of outpatient services provided to the person by increasing the frequency of contacts with the provider, referring the person for an assessment for assertive community services, or by other means;

(c) To request a court hearing for review and modification of the court order. The request must be made to the court with jurisdiction over the order and specify the circumstances that give rise to the request and what modification is being sought. The county prosecutor shall assist the agency or facility in requesting this hearing and issuing an appropriate summons to the person. This subsection does not limit the inherent authority of a treatment provider to alter conditions of treatment for clinical reasons, and is intended to be used only when court intervention is necessary or advisable to secure the person's compliance and prevent decompensation or deterioration;

(d) To cause the person to be transported by a peace officer, designated mental health professional, or other means to the agency or facility monitoring or providing services under the court order, or to a triage facility, crisis stabilization unit, emergency department, or evaluation and treatment facility for up to twelve hours for the purpose of an evaluation to determine whether modification, revocation, or commitment proceedings are necessary and appropriate to stabilize the person and prevent decompensation, deterioration, or physical harm. Temporary detention for evaluation under this subsection is intended to occur only following a pattern of noncompliance or the failure of reasonable attempts at outreach and engagement, and may occur only when in the clinical judgment of a designated mental health professional or the professional person in charge of an agency or facility designated to monitor less restrictive alternative services temporary detention is appropriate. This subsection does not limit the ability or obligation to pursue revocation procedures under subsection (4) of this section in appropriate circumstances; and

(e) To initiate revocation procedures under subsection (4) of this section.

(3) The facility or agency designated to provide outpatient treatment shall notify the secretary or designated mental health professional when a person fails to adhere to terms and conditions of court ordered treatment or experiences substantial deterioration in his or her condition and, as a result, presents an increased likelihood of serious harm.

(4)(a) A designated mental health professional or the secretary may upon their own motion or notification by the facility or agency designated to provide outpatient care order a person subject to a court order under this section to be apprehended and taken into custody and temporary detention in an evaluation and treatment facility in or near the county in which he or she is receiving outpatient treatment, or initiate proceedings under this subsection (4) without ordering the apprehension and detention of the person.

(b) A person detained under this subsection (4) must be held until such time, not exceeding five days, as a hearing can be scheduled to determine whether or not the person should be returned to the hospital or facility from which he or she had been released. If the person is not detained, the hearing must be scheduled within five days of service on the person. The designated mental health professional or the secretary may modify or rescind the order at any time prior to commencement of the court hearing.

(c) The designated mental health professional or secretary shall ((notify the eourt that originally ordered commitment within two judicial days of a person's detention and)) file a revocation petition and order of apprehension and detention with the court ((and)) of the county where the person is currently located or being detained. The designated mental health professional shall serve the person and their attorney, guardian, and conservator, if any. The person has the same rights with respect to notice, hearing, and counsel as in any involuntary treatment proceeding, except as specifically set forth in this section. There is no right to jury trial. The venue for proceedings ((regarding a petition for modification or revocation must be in)) is the county ((in which)) where the petition ((was)) is filed. Notice of the filing must be provided to the court that originally ordered commitment, if different from the court where the petition for revocation is filed, within two judicial days of the person's detention.

(d) The issues for the court to determine are whether: (i) The person adhered to the terms and conditions of the court order; (ii) substantial deterioration in the person's functioning has occurred; (iii) there is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further inpatient treatment; or (iv) there is a likelihood of serious harm; and, if any of the above conditions apply, whether the court should reinstate or modify the person's less restrictive alternative or conditional release order or order the person's detention for inpatient treatment. The person may waive the court hearing and allow the court to enter a stipulated order upon the agreement of all parties. If the court orders detention for inpatient treatment, the treatment period may be for no longer than the period authorized in the original court order.

(e) Revocation proceedings under this subsection (4) are not allowable if the current commitment is solely based on the person being in need of assisted outpatient mental health treatment. In order to obtain a court order for detention for inpatient treatment under this circumstance, a petition must be filed under RCW 71.05.150 or 71.05.153.

(5) In determining whether or not to take action under this section the designated mental health professional, agency, or facility must consider the factors specified under RCW 71.05.212 and the court must consider the factors specified under RCW 71.05.245 as they apply to the question of whether to enforce, modify, or revoke a court order for involuntary treatment.

Sec. 9. RCW 71.05.590 and 2016 sp.s. c 29 s 242 are each amended to read as follows:

(1) <u>Either an agency or facility designated to monitor or provide services</u> under a less restrictive alternative <u>order</u> or conditional release order, or a designated crisis responder, may take action to enforce, modify, or revoke a less restrictive alternative or conditional release order ((if)). The agency, facility, or designated crisis responder ((determines)) <u>must determine</u> that:

(a) The person is failing to adhere to the terms and conditions of the court order;

(b) Substantial deterioration in the person's functioning has occurred;

(c) There is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further evaluation, intervention, or treatment; or

(d) The person poses a likelihood of serious harm.

(2) Actions taken under this section must include a flexible range of responses of varying levels of intensity appropriate to the circumstances and consistent with the interests of the individual and the public in personal autonomy, safety, recovery, and compliance. Available actions may include, but are not limited to, any of the following:

(a) To counsel((5)) <u>or</u> advise((5, or <u>admonish</u>)) the person as to their rights and responsibilities under the court order, and to offer appropriate incentives to motivate compliance;

(b) To increase the intensity of outpatient services provided to the person by increasing the frequency of contacts with the provider, referring the person for an assessment for assertive community services, or by other means;

(c) To request a court hearing for review and modification of the court order. The request must be made to the court with jurisdiction over the order and specify the circumstances that give rise to the request and what modification is being sought. The county prosecutor shall assist the agency or facility in requesting this hearing and issuing an appropriate summons to the person. This subsection does not limit the inherent authority of a treatment provider to alter conditions of treatment for clinical reasons, and is intended to be used only when court intervention is necessary or advisable to secure the person's compliance and prevent decompensation or deterioration;

(d) To cause the person to be transported by a peace officer, designated crisis responder, or other means to the agency or facility monitoring or providing services under the court order, or to a triage facility, crisis stabilization unit, emergency department, or to an evaluation and treatment facility if the person is committed for mental health treatment, or to a secure detoxification facility with available space or an approved substance use disorder treatment program with available space if the person is committed for substance use disorder treatment. The person may be detained at the facility for up to twelve hours for the purpose of an evaluation to determine whether modification, revocation, or commitment proceedings are necessary and appropriate to stabilize the person and prevent decompensation, deterioration, or physical harm. Temporary detention for evaluation under this subsection is intended to occur only following a pattern of noncompliance or the failure of reasonable attempts at outreach and engagement, and may occur only when in the clinical judgment of a designated crisis responder or the professional person in charge of an agency or facility designated to monitor less restrictive alternative services temporary detention is appropriate. This subsection does not limit the ability or obligation to pursue revocation procedures under subsection (4) of this section in appropriate circumstances: and

(e) To initiate revocation procedures under subsection (4) of this section.

(3) The facility or agency designated to provide outpatient treatment shall notify the secretary or designated crisis responder when a person fails to adhere to terms and conditions of court ordered treatment or experiences substantial deterioration in his or her condition and, as a result, presents an increased likelihood of serious harm.

(4)(a) A designated crisis responder or the secretary may upon their own motion or notification by the facility or agency designated to provide outpatient care order a person subject to a court order under this chapter to be apprehended and taken into custody and temporary detention in an evaluation and treatment facility in or near the county in which he or she is receiving outpatient treatment if the person is committed for mental health treatment, or, if the person is committed for substance use disorder treatment, in a secure detoxification facility or approved substance use disorder treatment program if either is available in or near the county in which he or she is receiving outpatient treatment and has adequate space. Proceedings under this subsection (4) may be initiated without ordering the apprehension and detention of the person.

(b) A person detained under this subsection (4) must be held until such time, not exceeding five days, as a hearing can be scheduled to determine whether or not the person should be returned to the hospital or facility from which he or she had been released. If the person is not detained, the hearing must be scheduled within five days of service on the person. The designated crisis responder or the secretary may modify or rescind the order at any time prior to commencement of the court hearing.

(c) The designated crisis responder or secretary shall ((notify the court that originally ordered commitment within two judicial days of a person's detention and)) file a revocation petition and order of apprehension and detention with the court ((and)) of the county where the person is currently located or being detained. The designated crisis responder shall serve the person and their attorney, guardian, and conservator, if any. The person has the same rights with

respect to notice, hearing, and counsel as in any involuntary treatment proceeding, except as specifically set forth in this section. There is no right to jury trial. The venue for proceedings ((regarding a petition for modification or revocation must be in)) is the county ((in which)) where the petition ((was)) is filed. Notice of the filing must be provided to the court that originally ordered commitment, if different from the court where the petition for revocation is filed, within two judicial days of the person's detention.

(d) The issues for the court to determine are whether: (i) The person adhered to the terms and conditions of the court order; (ii) substantial deterioration in the person's functioning has occurred; (iii) there is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further inpatient treatment; or (iv) there is a likelihood of serious harm; and, if any of the above conditions apply, whether the court should reinstate or modify the person's less restrictive alternative or conditional release order or order the person's detention for inpatient treatment. The person may waive the court hearing and allow the court to enter a stipulated order upon the agreement of all parties. If the court orders detention for inpatient treatment, the treatment period may be for no longer than the period authorized in the original court order. A court may not issue an order to detain a person for inpatient treatment in a secure detoxification facility or approved substance use disorder treatment program under this subsection unless there is a secure detoxification facility or approved substance use disorder treatment program available and with adequate space for the person.

(e) Revocation proceedings under this subsection (4) are not allowable if the current commitment is solely based on the person being in need of assisted outpatient mental health treatment. In order to obtain a court order for detention for inpatient treatment under this circumstance, a petition must be filed under RCW 71.05.150 or 71.05.153.

(5) In determining whether or not to take action under this section the designated crisis responder, agency, or facility must consider the factors specified under RCW 71.05.212 and the court must consider the factors specified under RCW 71.05.245 as they apply to the question of whether to enforce, modify, or revoke a court order for involuntary treatment.

Sec. 10. RCW 71.05.590 and 2016 sp.s. c 29 s 243 are each amended to read as follows:

(1) <u>Either an agency or facility designated to monitor or provide services</u> under a less restrictive alternative <u>order</u> or conditional release order, or a designated crisis responder, may take action to enforce, modify, or revoke a less restrictive alternative or conditional release order ((if)). The agency, facility, or designated crisis responder ((determines)) <u>must determine</u> that:

(a) The person is failing to adhere to the terms and conditions of the court order;

(b) Substantial deterioration in the person's functioning has occurred;

(c) There is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further evaluation, intervention, or treatment; or

(d) The person poses a likelihood of serious harm.

(2) Actions taken under this section must include a flexible range of responses of varying levels of intensity appropriate to the circumstances and

consistent with the interests of the individual and the public in personal autonomy, safety, recovery, and compliance. Available actions may include, but are not limited to, any of the following:

(a) To  $counsel((,)) \underline{or} advise((, or admonish))$  the person as to their rights and responsibilities under the court order, and to offer appropriate incentives to motivate compliance;

(b) To increase the intensity of outpatient services provided to the person by increasing the frequency of contacts with the provider, referring the person for an assessment for assertive community services, or by other means;

(c) To request a court hearing for review and modification of the court order. The request must be made to the court with jurisdiction over the order and specify the circumstances that give rise to the request and what modification is being sought. The county prosecutor shall assist the agency or facility in requesting this hearing and issuing an appropriate summons to the person. This subsection does not limit the inherent authority of a treatment provider to alter conditions of treatment for clinical reasons, and is intended to be used only when court intervention is necessary or advisable to secure the person's compliance and prevent decompensation or deterioration;

(d) To cause the person to be transported by a peace officer, designated crisis responder, or other means to the agency or facility monitoring or providing services under the court order, or to a triage facility, crisis stabilization unit, emergency department, or to an evaluation and treatment facility if the person is committed for mental health treatment, or to a secure detoxification facility or an approved substance use disorder treatment program if the person is committed for substance use disorder treatment. The person may be detained at the facility for up to twelve hours for the purpose of an evaluation to determine whether modification, revocation, or commitment proceedings are necessary and appropriate to stabilize the person and prevent decompensation, deterioration, or physical harm. Temporary detention for evaluation under this subsection is intended to occur only following a pattern of noncompliance or the failure of reasonable attempts at outreach and engagement, and may occur only when in the clinical judgment of a designated crisis responder or the professional person in charge of an agency or facility designated to monitor less restrictive alternative services temporary detention is appropriate. This subsection does not limit the ability or obligation to pursue revocation procedures under subsection (4) of this section in appropriate circumstances; and

(e) To initiate revocation procedures under subsection (4) of this section.

(3) The facility or agency designated to provide outpatient treatment shall notify the secretary or designated crisis responder when a person fails to adhere to terms and conditions of court ordered treatment or experiences substantial deterioration in his or her condition and, as a result, presents an increased likelihood of serious harm.

(4)(a) A designated crisis responder or the secretary may upon their own motion or notification by the facility or agency designated to provide outpatient care order a person subject to a court order under this chapter to be apprehended and taken into custody and temporary detention in an evaluation and treatment facility in or near the county in which he or she is receiving outpatient treatment if the person is committed for mental health treatment, or, if the person is committed for substance use disorder treatment, in a secure detoxification facility or approved substance use disorder treatment program if either is available in or near the county in which he or she is receiving outpatient treatment. Proceedings under this subsection (4) may be initiated without ordering the apprehension and detention of the person.

(b) A person detained under this subsection (4) must be held until such time, not exceeding five days, as a hearing can be scheduled to determine whether or not the person should be returned to the hospital or facility from which he or she had been released. If the person is not detained, the hearing must be scheduled within five days of service on the person. The designated crisis responder or the secretary may modify or rescind the order at any time prior to commencement of the court hearing.

(c) The designated crisis responder or secretary shall ((notify the court that originally ordered commitment within two judicial days of a person's detention and)) file a revocation petition and order of apprehension and detention with the court ((and)) of the county where the person is currently located or being detained. The designated crisis responder shall serve the person and their attorney, guardian, and conservator, if any. The person has the same rights with respect to notice, hearing, and counsel as in any involuntary treatment proceeding, except as specifically set forth in this section. There is no right to jury trial. The venue for proceedings ((regarding a petition for modification or revocation must be in)) is the county ((in which)) where the petition ((was)) is filed. Notice of the filing must be provided to the court that originally ordered commitment, if different from the court where the petition for revocation is filed, within two judicial days of the person's detention.

(d) The issues for the court to determine are whether: (i) The person adhered to the terms and conditions of the court order; (ii) substantial deterioration in the person's functioning has occurred; (iii) there is evidence of substantial decompensation with a reasonable probability that the decompensation can be reversed by further inpatient treatment; or (iv) there is a likelihood of serious harm; and, if any of the above conditions apply, whether the court should reinstate or modify the person's less restrictive alternative or conditional release order or order the person's detention for inpatient treatment. The person may waive the court hearing and allow the court to enter a stipulated order upon the agreement of all parties. If the court orders detention for inpatient treatment, the treatment period may be for no longer than the period authorized in the original court order.

(e) Revocation proceedings under this subsection (4) are not allowable if the current commitment is solely based on the person being in need of assisted outpatient mental health treatment. In order to obtain a court order for detention for inpatient treatment under this circumstance, a petition must be filed under RCW 71.05.150 or 71.05.153.

(5) In determining whether or not to take action under this section the designated crisis responder, agency, or facility must consider the factors specified under RCW 71.05.212 and the court must consider the factors specified under RCW 71.05.245 as they apply to the question of whether to enforce, modify, or revoke a court order for involuntary treatment.

### Part Three - Initial Detention Investigations

Sec. 11. RCW 71.05.154 and 2013 c 334 s 1 are each amended to read as follows:

((A)) If a person subject to evaluation under RCW 71.05.150 or 71.05.153 is located in an emergency room at the time of evaluation, the designated mental health professional conducting ((an)) the evaluation ((of a person under RCW 71.05.150 or 71.05.153 must consult with any examining emergency room physician regarding the physician's observations and opinions relating to the person's condition, and whether, in the view of the physician, detention is appropriate. The designated mental health professional) shall take serious consideration of observations and opinions by <u>an</u> examining emergency room physician((s)), advanced registered nurse practitioner, or physician assistant in determining whether detention under this chapter is appropriate. The designated mental health professional must document ((the)) <u>his or her</u> consultation with ((an examining emergency room physician)) this professional, ((including)) <u>if</u> the professional is available, or his or her review of the ((physician's)) professional's written observations or opinions regarding whether detention of the person is appropriate.

Sec. 12. RCW 71.05.154 and 2016 sp.s. c 29 s 214 are each amended to read as follows:

((A)) If a person subject to evaluation under RCW 71.05.150 or 71.05.153 is located in an emergency room at the time of evaluation, the designated crisis responder conducting ((an)) the evaluation ((of a person under RCW 71.05.150)or 71.05.153 must consult with any examining emergency room physician regarding the physician's observations and opinions relating to the person's condition, and whether, in the view of the physician, detention is appropriate. The designated crisis responder)) shall take serious consideration of observations and opinions by <u>an</u> examining emergency room physician((s)), <u>advanced registered nurse practitioner</u>, or physician assistant in determining whether detention under this chapter is appropriate. The designated crisis responder must document ((the)) <u>his or her</u> consultation with ((an examining emergency room physician)) this professional, ((including)) if the professional is available, or his or her review of the ((physician's)) professional's written observations or opinions regarding whether detention of the person is appropriate.

## Part Four - Evaluation and Petition by Chemical Dependency Professionals

Sec. 13. RCW 70.96A.140 and 2016 sp.s. c 29 s 102 are each amended to read as follows:

(1)(a) When a designated chemical dependency specialist receives information alleging that a person presents a likelihood of serious harm or is gravely disabled as a result of ((chemical dependency)) a substance use disorder, the designated chemical dependency specialist, after investigation and evaluation of the specific facts alleged and of the reliability and credibility of the information, may file a petition for commitment of such person with the superior court, district court, or in another court permitted by court rule.

If a petition for commitment is not filed in the case of a minor, the parent, guardian, or custodian who has custody of the minor may seek review of that decision made by the designated chemical dependency specialist in superior or district court. The parent, guardian, or custodian shall file notice with the court and provide a copy of the designated chemical dependency specialist's report.

If the designated chemical dependency specialist finds that the initial needs of such person would be better served by placement within the mental health system, the person shall be referred to either a designated mental health professional or an evaluation and treatment facility as defined in RCW 71.05.020 or 71.34.020.

(b) If placement in a ((chemical dependency)) substance use disorder treatment program is available and deemed appropriate, the petition shall allege that: The person is chemically dependent and presents a likelihood of serious harm or is gravely disabled by alcohol or drug addiction, or that the person has twice before in the preceding twelve months been admitted for withdrawal management, sobering services, or ((chemical dependency)) substance use disorder treatment pursuant to RCW 70.96A.110 or 70.96A.120, and is in need of a more sustained treatment program, or that the person ((is chemically dependent)) has a substance use disorder and has threatened, attempted, or inflicted physical harm on another and is likely to inflict physical harm on another unless committed. A refusal to undergo treatment, by itself, does not constitute evidence of lack of judgment as to the need for treatment.

(c) If involuntary detention is sought, the petition must state facts that support a finding of the grounds identified in (b) of this subsection and that there are no less restrictive alternatives to detention in the best interest of such person or others. The petition must state specifically that less restrictive alternative treatment was considered and specify why treatment less restrictive than detention is not appropriate. If an involuntary less restrictive alternative is sought, the petition must state facts that support a finding of the grounds for commitment identified in (b) of this subsection and set forth the proposed less restrictive alternative.

(d)(i) The petition must be signed by:

(A) ((Two physicians;)) <u>One physician assistant, or advanced</u> registered nurse practitioner; and

(B) ((One physician and a mental health professional;

(C) One physician assistant and a mental health professional; or

(D) One psychiatric advanced registered nurse practitioner and a mental health professional.

(ii) The persons signing the petition must have examined the person)) One physician, physician assistant, advanced registered nurse practitioner, or designated chemical dependency specialist.

(2) Upon filing the petition, the court shall fix a date for a hearing no less than two and no more than seven days after the date the petition was filed unless the person petitioned against is presently being detained in a program, pursuant to RCW 70.96A.120, 71.05.210, or 71.34.710, in which case the hearing shall be held within seventy-two hours of the filing of the petition((: PROVIDED, HOWEVER, That)). The ((above specified)) seventy-two hours shall be computed by excluding Saturdays, Sundays, and holidays((: PROVIDED FURTHER, That,)). The court may, upon motion of the person whose commitment is sought, or upon motion of petitioner with written permission of the person whose commitment is sought, or his or her counsel and, upon good cause shown, extend the date for the hearing. A copy of the petition and of the notice of the hearing, including the date fixed by the court, shall be served ((by the designated chemical dependency specialist)) on the person whose

commitment is sought, his or her next of kin, a parent or his or her legal guardian if he or she is a minor, and any other person the court believes advisable. A copy of the petition and certificate shall be delivered to each person notified.

(3) At the hearing the court shall hear all relevant testimony including, if possible, the testimony, which may be telephonic, of at least one licensed physician, psychiatric advanced registered nurse practitioner, physician assistant, or ((mental health professional)) designated chemical dependency specialist who has examined the person whose commitment is sought. Communications otherwise deemed privileged under the laws of this state are deemed to be waived in proceedings under this chapter when a court of competent jurisdiction in its discretion determines that the waiver is necessary to protect either the detained person or the public. The waiver of a privilege under this section is limited to records or testimony relevant to evaluation of the detained person, or on its own motion, the court shall examine a record or testimony sought by a petitioner to determine whether it is within the scope of the waiver.

The record maker shall not be required to testify in order to introduce medical, nursing, or psychological records of detained persons so long as the requirements of RCW 5.45.020 are met, except that portions of the record that contain opinions as to whether the detained person ((is chemically dependent)) has a substance use disorder shall be deleted from the records unless the person offering the opinions is available for cross-examination. The person shall be present unless the court believes that his or her presence is likely to be injurious to him or her; in this event the court may deem it appropriate to appoint a guardian ad litem to represent him or her throughout the proceeding. If deemed advisable, the court may examine the person out of courtroom. If the person has refused to be examined by a licensed physician, psychiatric advanced registered nurse practitioner, physician assistant, or ((mental health professional)) designated chemical dependency specialist, he or she shall be given an opportunity to be examined by a court appointed licensed physician, psychiatric advanced registered nurse practitioner, physician assistant, or other professional person qualified to provide such services. If he or she refuses and there is sufficient evidence to believe that the allegations of the petition are true, or if the court believes that more medical evidence is necessary, the court may make a temporary order committing him or her to the department for a period of not more than five days for purposes of a diagnostic examination.

(4)(a) If, after hearing all relevant evidence, including the results of any diagnostic examination, the court finds that grounds for involuntary commitment have been established by a preponderance of the evidence and, after considering less restrictive alternatives to involuntary detention and treatment, finds that no such alternatives are in the best interest of the person or others, it shall make an order of commitment to an approved substance use disorder treatment program. It shall not order commitment of a person unless it determines that an approved substance use disorder treatment program is available and able to provide adequate and appropriate treatment for him or her.

(b) If the court finds that the grounds for commitment have been established by a preponderance of the evidence, but that treatment in a less restrictive setting than detention is in the best interest of such person or others, the court shall order an appropriate less restrictive course of treatment. The less restrictive order may impose treatment conditions and other conditions that are in the best interest of the respondent and others. A copy of the less restrictive order must be given to the respondent, the designated chemical dependency specialist, and any program designated to provide less restrictive treatment. If the program designated to provide the less restrictive treatment is other than the program providing the initial involuntary treatment, the program so designated must agree in writing to assume such responsibility. The court may not order commitment of a person to a less restrictive course of treatment unless it determines that an approved substance use disorder treatment program is available and able to provide adequate and appropriate treatment for him or her.

(5) A person committed to inpatient treatment under this section shall remain in the program for treatment for a period of fourteen days unless sooner discharged. A person committed to a less restrictive course of treatment under this section shall remain in the program of treatment for a period of ninety days unless sooner discharged. At the end of the fourteen-day period, or ninety-day period in the case of a less restrictive alternative to inpatient treatment, he or she shall be discharged automatically unless the program or the designated chemical dependency specialist, before expiration of the period, files a petition for his or her recommitment upon the grounds set forth in subsection (1) of this section for a further period of ninety days of inpatient treatment or ninety days of less restrictive alternative treatment unless sooner discharged. The petition for ninety-day inpatient or less restrictive alternative treatment must be filed with the clerk of the court at least three days before expiration of the fourteen-day period of intensive treatment.

If a petition for recommitment is not filed in the case of a minor, the parent, guardian, or custodian who has custody of the minor may seek review of that decision made by the designated chemical dependency specialist in superior or district court. The parent, guardian, or custodian shall file notice with the court and provide a copy of the treatment progress report.

If a person has been committed because he or she ((is chemically dependent)) has a substance use disorder and is likely to inflict physical harm on another, the program or designated chemical dependency specialist shall apply for recommitment if after examination it is determined that the likelihood still exists.

(6) Upon the filing of a petition for recommitment under subsection (5) of this section, the court shall fix a date for hearing no less than two and no more than seven days after the date the petition was filed((: PROVIDED, That,)). The court may, upon motion of the person whose commitment is sought and upon good cause shown, extend the date for the hearing. A copy of the petition and of the notice of hearing, including the date fixed by the court, shall be served by the treatment program on the person whose commitment is sought, his or her next of kin, the original petitioner under subsection (1) of this section if different from the petitioner for recommitment, one of his or her parents or his or her legal guardian if he or she is a minor, and his or her attorney and any other person the court believes advisable. At the hearing the court shall proceed as provided in subsections (3) and (4) of this section, except that the burden of proof upon a hearing for recommitment must be proof by clear, cogent, and convincing evidence.

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(7) The approved substance use disorder treatment program shall provide for adequate and appropriate treatment of a person committed to its custody on an inpatient or outpatient basis. A person committed under this section may be transferred from one approved public treatment program to another if transfer is medically advisable.

(8) A person committed to a program for treatment shall be discharged at any time before the end of the period for which he or she has been committed and he or she shall be discharged by order of the court if either of the following conditions are met:

(a) In case of a ((ehemically dependent)) person with a substance use disorder committed on the grounds of likelihood of infliction of physical harm upon himself, herself, or another, the likelihood no longer exists; or further treatment will not be likely to bring about significant improvement in the person's condition, or treatment is no longer adequate or appropriate.

(b) In case of a ((chemically dependent)) person with a substance use disorder committed on the grounds of the need of treatment and incapacity, that the incapacity no longer exists.

(9) The court shall inform the person whose commitment or recommitment is sought of his or her right to contest the application, be represented by counsel at every stage of any proceedings relating to his or her commitment and recommitment, and have counsel appointed by the court or provided by the court, if he or she wants the assistance of counsel and is unable to obtain counsel. If the court believes that the person needs the assistance of counsel, the court shall require, by appointment if necessary, counsel for him or her regardless of his or her wishes. The person shall, if he or she is financially able, bear the costs of such legal service; otherwise such legal service shall be at public expense. The person whose commitment or recommitment is sought shall be informed of his or her right to be examined by a licensed physician, psychiatric advanced registered nurse practitioner, physician assistant, designated chemical dependency specialist, or other professional person of his or her choice who is qualified to provide such services. If the person is unable to obtain a qualified person and requests an examination, the court shall employ a licensed physician, psychiatric advanced registered nurse practitioner, physician assistant, designated chemical dependency specialist, or other professional person to conduct an examination and testify on behalf of the person.

(10) A person committed under this chapter may at any time seek to be discharged from commitment by writ of habeas corpus in a court of competent jurisdiction.

(11) The venue for proceedings under this section is the county in which person to be committed resides or is present.

(12) When in the opinion of the professional person in charge of the program providing involuntary inpatient treatment under this chapter, the committed patient can be appropriately served by less restrictive treatment before expiration of the period of commitment, then the less restrictive care may be required as a condition for early release for a period which, when added to the initial treatment period, does not exceed the period of commitment. If the program designated to provide the less restrictive treatment is other than the program providing the initial involuntary treatment, the program so designated must agree in writing to assume such responsibility. A copy of the conditions for early release shall be given to the patient, the designated chemical dependency specialist of original commitment, and the court of original commitment. The program designated to provide less restrictive care may modify the conditions for continued release when the modifications are in the best interests of the patient. If the program providing less restrictive care and the designated chemical dependency specialist determine that a conditionally released patient is failing to adhere to the terms and conditions of his or her release, or that substantial deterioration in the patient's functioning has occurred, then the designated chemical dependency specialist shall notify the court of original commitment and request a hearing to be held no less than two and no more than seven days after the date of the request to determine whether or not the person should be returned to more restrictive care. The designated chemical dependency specialist shall file a petition with the court stating the facts substantiating the need for the hearing along with the treatment recommendations. The patient shall have the same rights with respect to notice, hearing, and counsel as for the original involuntary treatment proceedings. The issues to be determined at the hearing are whether the conditionally released patient did or did not adhere to the terms and conditions of his or her release to less restrictive care or that substantial deterioration of the patient's functioning has occurred and whether the conditions of release should be modified or the person should be returned to a more restrictive program. The hearing may be waived by the patient and his or her counsel and his or her guardian or conservator, if any, but may not be waived unless all such persons agree to the waiver. Upon waiver, the person may be returned for involuntary treatment or continued on conditional release on the same or modified conditions. The grounds and procedures for revocation of less restrictive alternative treatment ordered by the court must be the same as those set forth in this section for less restrictive care arranged by an approved substance use disorder treatment program as a condition for early release.

**Sec. 14.** RCW 71.05.020 and 2016 sp.s. c 29 s 204 and 2016 c 155 s 1 are each reenacted and amended to read as follows:

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

(1) "Admission" or "admit" means a decision by a physician, physician assistant, or psychiatric advanced registered nurse practitioner that a person should be examined or treated as a patient in a hospital;

(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) "Antipsychotic medications" means that class of drugs primarily used to treat serious manifestations of mental illness associated with thought disorders, which includes, but is not limited to atypical antipsychotic medications;

(4) "Approved substance use disorder treatment program" means a program for persons with a substance use disorder provided by a treatment program certified by the department as meeting standards adopted under chapter 71.24 RCW;

(5) "Attending staff" means any person on the staff of a public or private agency having responsibility for the care and treatment of a patient;

(6) "Chemical dependency" means:

(a) Alcoholism;

(b) Drug addiction; or

(c) Dependence on alcohol and one or more psychoactive chemicals, as the context requires;

(7) "Chemical dependency professional" means a person certified as a chemical dependency professional by the department of health under chapter 18.205 RCW;

(8) "Commitment" means the determination by a court that a person should be detained for a period of either evaluation or treatment, or both, in an inpatient or a less restrictive setting;

(9) "Conditional release" means a revocable modification of a commitment, which may be revoked upon violation of any of its terms;

(10) "Crisis stabilization unit" means a short-term facility or a portion of a facility licensed by the department of health and certified by the department of social and health services under RCW 71.24.035, such as an evaluation and treatment facility or a hospital, which has been designed to assess, diagnose, and treat individuals experiencing an acute crisis without the use of long-term hospitalization;

(11) "Custody" means involuntary detention under the provisions of this chapter or chapter 10.77 RCW, uninterrupted by any period of unconditional release from commitment from a facility providing involuntary care and treatment;

(12) "Department" means the department of social and health services;

(13) "Designated crisis responder" means a mental health professional appointed by the behavioral health organization to perform the duties specified in this chapter;

(14) "Detention" or "detain" means the lawful confinement of a person, under the provisions of this chapter;

(15) "Developmental disabilities professional" means a person who has specialized training and three years of experience in directly treating or working with persons with developmental disabilities and is a psychiatrist, physician assistant working with a supervising psychiatrist, psychologist, psychiatric advanced registered nurse practitioner, or social worker, and such other developmental disabilities professionals as may be defined by rules adopted by the secretary;

(16) "Developmental disability" means that condition defined in RCW 71A.10.020(5);

(17) "Discharge" means the termination of hospital medical authority. The commitment may remain in place, be terminated, or be amended by court order;

(18) "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;

(19) "Evaluation and treatment facility" means any facility which can provide directly, or by direct arrangement with other public or private agencies, emergency evaluation and treatment, outpatient care, and timely and appropriate inpatient care to persons suffering from a mental disorder, and which is certified as such by the department. The department may certify single beds as temporary evaluation and treatment beds under RCW 71.05.745. A physically separate and separately operated portion of a state hospital may be designated as an evaluation and treatment facility. A facility which is part of, or operated by, the department or any federal agency will not require certification. No correctional institution or facility, or jail, shall be an evaluation and treatment facility within the meaning of this chapter;

(20) "Gravely disabled" means a condition in which a person, as a result of a mental disorder, or as a result of the use of alcohol or other psychoactive chemicals: (a) Is in danger of serious physical harm resulting from a failure to provide for his or her essential human needs of health or safety; or (b) manifests severe deterioration in routine functioning evidenced by repeated and escalating loss of cognitive or volitional control over his or her actions and is not receiving such care as is essential for his or her health or safety;

(21) "Habilitative services" means those services provided by program personnel to assist persons in acquiring and maintaining life skills and in raising their levels of physical, mental, social, and vocational functioning. Habilitative services include education, training for employment, and therapy. The habilitative process shall be undertaken with recognition of the risk to the public safety presented by the person being assisted as manifested by prior charged criminal conduct;

(22) "History of one or more violent acts" refers to the period of time ten years prior to the filing of a petition under this chapter, excluding any time spent, but not any violent acts committed, in a mental health facility, a long-term alcoholism or drug treatment facility, or in confinement as a result of a criminal conviction;

(23) "Imminent" means the state or condition of being likely to occur at any moment or near at hand, rather than distant or remote;

(24) "Individualized service plan" means a plan prepared by a developmental disabilities professional with other professionals as a team, for a person with developmental disabilities, which shall state:

(a) The nature of the person's specific problems, prior charged criminal behavior, and habilitation needs;

(b) The conditions and strategies necessary to achieve the purposes of habilitation;

(c) The intermediate and long-range goals of the habilitation program, with a projected timetable for the attainment;

(d) The rationale for using this plan of habilitation to achieve those intermediate and long-range goals;

(e) The staff responsible for carrying out the plan;

(f) Where relevant in light of past criminal behavior and due consideration for public safety, the criteria for proposed movement to less-restrictive settings, criteria for proposed eventual discharge or release, and a projected possible date for discharge or release; and

(g) The type of residence immediately anticipated for the person and possible future types of residences;

(25) "Information related to mental health services" means all information and records compiled, obtained, or maintained in the course of providing services to either voluntary or involuntary recipients of services by a mental health service provider. This may include documents of legal proceedings under this chapter or chapter 71.34 or 10.77 RCW, or somatic health care information;

(26) "Intoxicated person" means a person whose mental or physical functioning is substantially impaired as a result of the use of alcohol or other psychoactive chemicals;

(27) "In need of assisted outpatient mental health treatment" means that a person, as a result of a mental disorder: (a) Has been committed by a court to detention for involuntary mental health treatment at least twice during the preceding thirty-six months, or, if the person is currently committed for involuntary mental health treatment, the person has been committed to detention for involuntary mental health treatment at least once during the thirty-six months preceding the date of initial detention of the current commitment cycle; (b) is unlikely to voluntarily participate in outpatient treatment without an order for less restrictive alternative treatment, in view of the person's treatment history or current behavior; (c) is unlikely to survive safely in the community without supervision; (d) is likely to benefit from less restrictive alternative treatment; and (e) requires less restrictive alternative treatment to prevent a relapse, decompensation, or deterioration that is likely to result in the person presenting a likelihood of serious harm or the person becoming gravely disabled within a reasonably short period of time. For purposes of (a) of this subsection, time spent in a mental health facility or in confinement as a result of a criminal conviction is excluded from the thirty-six month calculation;

(28) "Judicial commitment" means a commitment by a court pursuant to the provisions of this chapter;

(29) "Legal counsel" means attorneys and staff employed by county prosecutor offices or the state attorney general acting in their capacity as legal representatives of public mental health and substance use disorder service providers under RCW 71.05.130;

(30) "Less restrictive alternative treatment" means a program of individualized treatment in a less restrictive setting than inpatient treatment that includes the services described in RCW 71.05.585;

(31) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington;

(32) "Likelihood of serious harm" means:

(a) A substantial risk that: (i) Physical harm will be inflicted by a person upon his or her own person, as evidenced by threats or attempts to commit suicide or inflict physical harm on oneself; (ii) physical harm will be inflicted by a person upon another, as evidenced by behavior which has caused such harm or which places another person or persons in reasonable fear of sustaining such harm; or (iii) physical harm will be inflicted by a person upon the property of others, as evidenced by behavior which has caused substantial loss or damage to the property of others; or

(b) The person has threatened the physical safety of another and has a history of one or more violent acts;

(33) "Medical clearance" means a physician or other health care provider has determined that a person is medically stable and ready for referral to the designated crisis responder; (34) "Mental disorder" means any organic, mental, or emotional impairment which has substantial adverse effects on a person's cognitive or volitional functions;

(35) "Mental health professional" means a psychiatrist, psychologist, physician assistant working with a supervising psychiatrist, psychiatric advanced registered nurse practitioner, psychiatric nurse, or social worker, and such other mental health professionals as may be defined by rules adopted by the secretary pursuant to the provisions of this chapter;

(36) "Mental health service provider" means a public or private agency that provides mental health services to persons with mental disorders or substance use disorders as defined under this section and receives funding from public sources. This includes, but is not limited to, hospitals licensed under chapter 70.41 RCW, evaluation and treatment facilities as defined in this section, community mental health service delivery systems or behavioral health programs as defined in RCW 71.24.025, facilities conducting competency evaluations and restoration under chapter 10.77 RCW, approved substance use disorder treatment programs as defined in this section, secure detoxification facilities as defined in this section, and correctional facilities operated by state and local governments;

(37) "Peace officer" means a law enforcement official of a public agency or governmental unit, and includes persons specifically given peace officer powers by any state law, local ordinance, or judicial order of appointment;

(38) "Physician assistant" means a person licensed as a physician assistant under chapter 18.57A or 18.71A RCW;

(39) "Private agency" means any person, partnership, corporation, or association that is not a public agency, whether or not financed in whole or in part by public funds, which constitutes an evaluation and treatment facility or private institution, or hospital, or approved substance use disorder treatment program, which is conducted for, or includes a department or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders;

(40) "Professional person" means a mental health professional, chemical <u>dependency professional</u>, or designated crisis responder and shall also mean a physician, physician assistant, psychiatric advanced registered nurse practitioner, registered nurse, and such others as may be defined by rules adopted by the secretary pursuant to the provisions of this chapter;

(41) "Psychiatric advanced registered nurse practitioner" means a person who is licensed as an advanced registered nurse practitioner pursuant to chapter 18.79 RCW; and who is board certified in advanced practice psychiatric and mental health nursing;

(42) "Psychiatrist" means a person having a license as a physician and surgeon in this state who has in addition completed three years of graduate training in psychiatry in a program approved by the American medical association or the American osteopathic association and is certified or eligible to be certified by the American board of psychiatry and neurology;

(43) "Psychologist" means a person who has been licensed as a psychologist pursuant to chapter 18.83 RCW;

(44) "Public agency" means any evaluation and treatment facility or institution, secure detoxification facility, approved substance use disorder

treatment program, or hospital which is conducted for, or includes a department or ward conducted for, the care and treatment of persons with mental illness, substance use disorders, or both mental illness and substance use disorders, if the agency is operated directly by federal, state, county, or municipal government, or a combination of such governments;

(45) "Registration records" include all the records of the department, behavioral health organizations, treatment facilities, and other persons providing services to the department, county departments, or facilities which identify persons who are receiving or who at any time have received services for mental illness or substance use disorders;

(46) "Release" means legal termination of the commitment under the provisions of this chapter;

(47) "Resource management services" has the meaning given in chapter 71.24 RCW;

(48) "Secretary" means the secretary of the department of social and health services, or his or her designee;

(49) "Secure detoxification facility" means a facility operated by either a public or private agency or by the program of an agency that:

(a) Provides for intoxicated persons:

(i) Evaluation and assessment, provided by certified chemical dependency professionals;

(ii) Acute or subacute detoxification services; and

(iii) Discharge assistance provided by certified chemical dependency professionals, including facilitating transitions to appropriate voluntary or involuntary inpatient services or to less restrictive alternatives as appropriate for the individual;

(b) Includes security measures sufficient to protect the patients, staff, and community; and

(c) Is certified as such by the department;

(50) "Serious violent offense" has the same meaning as provided in RCW 9.94A.030;

(51) "Social worker" means a person with a master's or further advanced degree from a social work educational program accredited and approved as provided in RCW 18.320.010;

(52) "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;

(53) "Therapeutic court personnel" means the staff of a mental health court or other therapeutic court which has jurisdiction over defendants who are dually diagnosed with mental disorders, including court personnel, probation officers, a court monitor, prosecuting attorney, or defense counsel acting within the scope of therapeutic court duties;

(54) "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, by behavioral health organizations and their staffs, and by treatment facilities. Treatment records include mental health information contained in a medical bill including but not limited to mental health drugs, a mental health diagnosis, provider name, and dates of service stemming from a medical service. Treatment records do not include notes or records maintained for personal use by a person providing treatment services for the department, behavioral health organizations, or a treatment facility if the notes or records are not available to others;

(55) "Triage facility" means a short-term facility or a portion of a facility licensed by the department of health and certified by the department of social and health services under RCW 71.24.035, which is designed as a facility to assess and stabilize an individual or determine the need for involuntary commitment of an individual, and must meet department of health residential treatment facility standards. A triage facility may be structured as a voluntary or involuntary placement facility;

(56) "Violent act" means behavior that resulted in homicide, attempted suicide, nonfatal injuries, or substantial damage to property.

**Sec. 15.** RCW 71.05.210 and 2016 sp.s. c 29 s 224 and 2016 c 155 s 2 are each reenacted and amended to read as follows:

(1) Each person involuntarily detained and accepted or admitted at an evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program:

(a) Shall, within twenty-four hours of his or her admission or acceptance at the facility, not counting time periods prior to medical clearance, be examined and evaluated by:

(i) One physician ((and a mental health professional)), physician assistant, or advanced registered nurse practitioner; and

(ii) One ((physician assistant and a)) mental health professional((; or

(iii) One advanced registered nurse practitioner and a mental health)). If the person is detained for substance use disorder evaluation and treatment, the person may be examined by a chemical dependency professional instead of a mental health professional; and

(b) Shall receive such treatment and care as his or her condition requires including treatment on an outpatient basis for the period that he or she is detained, except that, beginning twenty-four hours prior to a trial or hearing pursuant to RCW 71.05.215, 71.05.240, 71.05.310, 71.05.320, 71.05.590, or 71.05.217, the individual may refuse psychiatric medications, but may not refuse: (i) Any other medication previously prescribed by a person licensed under Title 18 RCW; or (ii) emergency lifesaving treatment, and the individual shall be informed at an appropriate time of his or her right of such refusal. The person shall be detained up to seventy-two hours, if, in the opinion of the professional person in charge of the facility, or his or her professional designee, the person presents a likelihood of serious harm, or is gravely disabled. A person who has been detained for seventy-two hours shall no later than the end of such period be released, unless referred for further care on a voluntary basis, or detained pursuant to court order for further treatment as provided in this chapter.

(2) If, after examination and evaluation, the mental health professional <u>or</u> <u>chemical dependency professional</u> and licensed physician, physician assistant, or psychiatric advanced registered nurse practitioner determine that the initial needs of the person, if detained to an evaluation and treatment facility, would be better served by placement in a substance use disorder treatment ((<del>facility</del>)) <u>program</u>, or, if detained to a secure detoxification facility or approved substance

use disorder treatment program, would be better served in an evaluation and treatment facility then the person shall be referred to the more appropriate placement; however, a person may only be referred to a secure detoxification facility or approved substance use disorder treatment program if there is an available secure detoxification facility or approved substance use disorder treatment program with adequate space for the person.

(3) An evaluation and treatment center, secure detoxification facility, or approved substance use disorder treatment program admitting or accepting any person pursuant to this chapter whose physical condition reveals the need for hospitalization shall assure that such person is transferred to an appropriate hospital for evaluation or admission for treatment. Notice of such fact shall be given to the court, the designated attorney, and the designated crisis responder and the court shall order such continuance in proceedings under this chapter as may be necessary, but in no event may this continuance be more than fourteen days.

Sec. 16. RCW 71.05.210 and 2016 sp.s. c 29 s 225 are each amended to read as follows:

(1) Each person involuntarily detained and accepted or admitted at an evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program:

(a) Shall, within twenty-four hours of his or her admission or acceptance at the facility, not counting time periods prior to medical clearance, be examined and evaluated by:

(i) One physician ((and a mental health professional)), physician assistant, or advanced registered nurse practitioner; and

(ii) One ((physician assistant and a)) mental health professional((; or

(iii) One advanced registered nurse practitioner and a mental health)). If the person is detained for substance use disorder evaluation and treatment, the person may be examined by a chemical dependency professional instead of a mental health professional; and

(b) Shall receive such treatment and care as his or her condition requires including treatment on an outpatient basis for the period that he or she is detained, except that, beginning twenty-four hours prior to a trial or hearing pursuant to RCW 71.05.215, 71.05.240, 71.05.310, 71.05.320, 71.05.590, or 71.05.217, the individual may refuse psychiatric medications, but may not refuse: (i) Any other medication previously prescribed by a person licensed under Title 18 RCW; or (ii) emergency lifesaving treatment, and the individual shall be informed at an appropriate time of his or her right of such refusal. The person shall be detained up to seventy-two hours, if, in the opinion of the professional person in charge of the facility, or his or her professional designee, the person presents a likelihood of serious harm, or is gravely disabled. A person who has been detained for seventy-two hours shall no later than the end of such period be released, unless referred for further care on a voluntary basis, or detained pursuant to court order for further treatment as provided in this chapter.

(2) If, after examination and evaluation, the mental health professional <u>or</u> <u>chemical dependency professional</u> and licensed physician, physician assistant, or psychiatric advanced registered nurse practitioner determine that the initial needs of the person, if detained to an evaluation and treatment facility, would be better served by placement in a substance use disorder treatment ((facility))

program, or, if detained to a secure detoxification facility or approved substance use disorder treatment program, would be better served in an evaluation and treatment facility then the person shall be referred to the more appropriate placement.

(3) An evaluation and treatment center, secure detoxification facility, or approved substance use disorder treatment program admitting or accepting any person pursuant to this chapter whose physical condition reveals the need for hospitalization shall assure that such person is transferred to an appropriate hospital for evaluation or admission for treatment. Notice of such fact shall be given to the court, the designated attorney, and the designated crisis responder and the court shall order such continuance in proceedings under this chapter as may be necessary, but in no event may this continuance be more than fourteen days.

**Sec. 17.** RCW 71.05.230 and 2016 sp.s. c 29 s 230, 2016 c 155 s 5, and 2016 c 45 s 1 are each reenacted and amended to read as follows:

A person detained or committed for seventy-two hour evaluation and treatment or for an outpatient evaluation for the purpose of filing a petition for a less restrictive alternative treatment order may be committed for not more than fourteen additional days of involuntary intensive treatment or ninety additional days of a less restrictive alternative to involuntary intensive treatment. A petition may only be filed if the following conditions are met:

(1) The professional staff of the agency or facility providing evaluation services has analyzed the person's condition and finds that the condition is caused by mental disorder or substance use disorder and results in a likelihood of serious harm, results in the person being gravely disabled, or results in the person being in need of assisted outpatient mental health treatment, and are prepared to testify those conditions are met; and

(2) The person has been advised of the need for voluntary treatment and the professional staff of the facility has evidence that he or she has not in good faith volunteered; and

(3) The agency or facility providing intensive treatment or which proposes to supervise the less restrictive alternative is certified to provide such treatment by the department; and

 $(4)(\underline{a})(\underline{i})$  The professional staff of the agency or facility or the designated crisis responder has filed a petition with the court for a fourteen day involuntary detention or a ninety day less restrictive alternative. The petition must be signed ((either)) by:

(((a) Two physicians)) (A) One physician, physician assistant, or psychiatric advanced registered nurse practitioner; and

((<del>(b)</del>)) (B) One physician ((<del>and a</del>)), physician assistant, psychiatric advanced registered nurse practitioner, or mental health professional((;

(c) One physician assistant and a mental health professional; or

(d) One psychiatric advanced registered nurse practitioner and a mental health professional)).

(ii) If the petition is for substance use disorder treatment, the petition may be signed by a chemical dependency professional instead of a mental health professional and by an advanced registered nurse practitioner instead of a psychiatric advanced registered nurse practitioner. The persons signing the petition must have examined the person. (b) If involuntary detention is sought the petition shall state facts that support the finding that such person, as a result of a mental disorder or substance use disorder, presents a likelihood of serious harm, or is gravely disabled and that there are no less restrictive alternatives to detention in the best interest of such person or others. The petition shall state specifically that less restrictive alternative treatment was considered and specify why treatment less restrictive than detention is not appropriate. If an involuntary less restrictive alternative is sought, the petition shall state facts that support the finding that such person, as a result of a mental disorder or as a result of a substance use disorder, presents a likelihood of serious harm, is gravely disabled, or is in need of assisted outpatient mental health treatment, and shall set forth any recommendations for less restrictive alternative treatment services; and

(5) A copy of the petition has been served on the detained or committed person, his or her attorney and his or her guardian or conservator, if any, prior to the probable cause hearing; and

(6) The court at the time the petition was filed and before the probable cause hearing has appointed counsel to represent such person if no other counsel has appeared; and

(7) The petition reflects that the person was informed of the loss of firearm rights if involuntarily committed for mental health treatment; and

(8) At the conclusion of the initial commitment period, the professional staff of the agency or facility or the designated crisis responder may petition for an additional period of either ninety days of less restrictive alternative treatment or ninety days of involuntary intensive treatment as provided in RCW 71.05.290; and

(9) If the hospital or facility designated to provide less restrictive alternative treatment is other than the facility providing involuntary treatment, the outpatient facility so designated to provide less restrictive alternative treatment has agreed to assume such responsibility.

**Sec. 18.** RCW 71.05.290 and 2016 sp.s. c 29 s 235, 2016 c 155 s 6, and 2016 c 45 s 3 are each reenacted and amended to read as follows:

(1) At any time during a person's fourteen day intensive treatment period, the professional person in charge of a treatment facility or his or her professional designee or the designated crisis responder may petition the superior court for an order requiring such person to undergo an additional period of treatment. Such petition must be based on one or more of the grounds set forth in RCW 71.05.280.

(2)(a)(i) The petition shall summarize the facts which support the need for further commitment and shall be supported by affidavits based on an examination of the patient and signed by:

(((a) Two physicians)) (A) One physician, physician assistant, or psychiatric advanced registered nurse practitioner; and

(((<del>b)</del>)) (<u>B</u>) One physician ((<del>and a</del>)), physician assistant, psychiatric advanced registered nurse practitioner, or mental health professional((;

(c) One physician assistant and a mental health professional; or

(d) One psychiatric advanced registered nurse practitioner and a mental health professional)).

(ii) If the petition is for substance use disorder treatment, the petition may be signed by a chemical dependency professional instead of a mental health professional and by an advanced registered nurse practitioner instead of a psychiatric advanced registered nurse practitioner.

(b) The affidavits shall describe in detail the behavior of the detained person which supports the petition and shall explain what, if any, less restrictive treatments which are alternatives to detention are available to such person, and shall state the willingness of the affiant to testify to such facts in subsequent judicial proceedings under this chapter. If less restrictive alternative treatment is sought, the petition shall set forth any recommendations for less restrictive alternative treatment services.

(3) If a person has been determined to be incompetent pursuant to RCW 10.77.086(4), then the professional person in charge of the treatment facility or his or her professional designee or the designated crisis responder may directly file a petition for one hundred eighty day treatment under RCW 71.05.280(3). No petition for initial detention or fourteen day detention is required before such a petition may be filed.

Sec. 19. RCW 71.05.300 and 2016 sp.s. c 29 s 236 and 2016 c 155 s 7 are each reenacted and amended to read as follows:

(1) The petition for ninety day treatment shall be filed with the clerk of the superior court at least three days before expiration of the fourteen-day period of intensive treatment. At the time of filing such petition, the clerk shall set a time for the person to come before the court on the next judicial day after the day of filing unless such appearance is waived by the person's attorney, and the clerk shall notify the designated crisis responder. The designated crisis responder shall immediately notify the person detained, his or her attorney, if any, and his or her guardian or conservator, if any, the prosecuting attorney, and the behavioral health organization administrator, and provide a copy of the petition to such persons as soon as possible. The behavioral health organization administrator or designee may review the petition and may appear and testify at the full hearing on the petition.

(2) At the time set for appearance the detained person shall be brought before the court, unless such appearance has been waived and the court shall advise him or her of his or her right to be represented by an attorney, his or her right to a jury trial, and, if the petition is for commitment for mental health treatment, his or her loss of firearm rights if involuntarily committed. If the detained person is not represented by an attorney, or is indigent or is unwilling to retain an attorney, the court shall immediately appoint an attorney to represent him or her. The court shall, if requested, appoint a reasonably available licensed physician, physician assistant, psychiatric advanced registered nurse practitioner, psychologist, ((<del>or</del>)) psychiatrist, <u>or other professional person</u>, designated by the detained person to examine and testify on behalf of the detained person.

(3) The court may, if requested, also appoint a professional person as defined in RCW 71.05.020 to seek less restrictive alternative courses of treatment and to testify on behalf of the detained person. In the case of a person with a developmental disability who has been determined to be incompetent pursuant to RCW 10.77.086(4), then the appointed professional person under this section shall be a developmental disabilities professional.

(4) The court shall also set a date for a full hearing on the petition as provided in RCW 71.05.310.

**Sec. 20.** RCW 71.05.360 and 2016 sp.s. c 29 s 244 and 2016 c 155 s 8 are each reenacted and amended to read as follows:

(1)(a) Every person involuntarily detained or committed under the provisions of this chapter shall be entitled to all the rights set forth in this chapter, which shall be prominently posted in the facility, and shall retain all rights not denied him or her under this chapter except as chapter 9.41 RCW may limit the right of a person to purchase or possess a firearm or to qualify for a concealed pistol license if the person is committed under RCW 71.05.240 or 71.05.320 for mental health treatment.

(b) No person shall be presumed incompetent as a consequence of receiving an evaluation or voluntary or involuntary treatment for a mental disorder or substance use disorder, under this chapter or any prior laws of this state dealing with mental illness or substance use disorders. Competency shall not be determined or withdrawn except under the provisions of chapter 10.77 or 11.88 RCW.

(c) Any person who leaves a public or private agency following evaluation or treatment for a mental disorder or substance use disorder shall be given a written statement setting forth the substance of this section.

(2) Each person involuntarily detained or committed pursuant to this chapter shall have the right to adequate care and individualized treatment.

(3) The provisions of this chapter shall not be construed to deny to any person treatment by spiritual means through prayer in accordance with the tenets and practices of a church or religious denomination.

(4) Persons receiving evaluation or treatment under this chapter shall be given a reasonable choice of an available physician, physician assistant, psychiatric advanced registered nurse practitioner, or other professional person qualified to provide such services.

(5) Whenever any person is detained for evaluation and treatment pursuant to this chapter, both the person and, if possible, a responsible member of his or her immediate family, personal representative, guardian, or conservator, if any, shall be advised as soon as possible in writing or orally, by the officer or person taking him or her into custody or by personnel of the evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program where the person is detained that unless the person is released or voluntarily admits himself or herself for treatment within seventy-two hours of the initial detention:

(a) A judicial hearing in a superior court, either by a judge or court commissioner thereof, shall be held not more than seventy-two hours after the initial detention to determine whether there is probable cause to detain the person after the seventy-two hours have expired for up to an additional fourteen days without further automatic hearing for the reason that the person is a person whose mental disorder or substance use disorder presents a likelihood of serious harm or that the person is gravely disabled;

(b) The person has a right to communicate immediately with an attorney; has a right to have an attorney appointed to represent him or her before and at the probable cause hearing if he or she is indigent; and has the right to be told the name and address of the attorney that the mental health professional has designated pursuant to this chapter; (c) The person has the right to remain silent and that any statement he or she makes may be used against him or her;

(d) The person has the right to present evidence and to cross-examine witnesses who testify against him or her at the probable cause hearing; and

(e) The person has the right to refuse psychiatric medications, including antipsychotic medication beginning twenty-four hours prior to the probable cause hearing.

(6) When proceedings are initiated under RCW 71.05.153, no later than twelve hours after such person is admitted to the evaluation and treatment facility, secure detoxification facility, or approved substance use disorder treatment program the personnel of the facility or the designated crisis responder shall serve on such person a copy of the petition for initial detention and the name, business address, and phone number of the designated attorney and shall forthwith commence service of a copy of the petition for initial detention on the designated attorney.

(7) The judicial hearing described in subsection (5) of this section is hereby authorized, and shall be held according to the provisions of subsection (5) of this section and rules promulgated by the supreme court.

(8) At the probable cause hearing the detained person shall have the following rights in addition to the rights previously specified:

(a) To present evidence on his or her behalf;

- (b) To cross-examine witnesses who testify against him or her;
- (c) To be proceeded against by the rules of evidence;

(d) To remain silent;

(e) To view and copy all petitions and reports in the court file.

(9) Privileges between patients and physicians, physician assistants, psychologists, or psychiatric advanced registered nurse practitioners are deemed waived in proceedings under this chapter relating to the administration of antipsychotic medications. As to other proceedings under this chapter, the privileges shall be waived when a court of competent jurisdiction in its discretion determines that such waiver is necessary to protect either the detained person or the public.

The waiver of a privilege under this section is limited to records or testimony relevant to evaluation of the detained person for purposes of a proceeding under this chapter. Upon motion by the detained person or on its own motion, the court shall examine a record or testimony sought by a petitioner to determine whether it is within the scope of the waiver.

The record maker shall not be required to testify in order to introduce medical or psychological records of the detained person so long as the requirements of RCW 5.45.020 are met except that portions of the record which contain opinions as to the detained person's mental state must be deleted from such records unless the person making such conclusions is available for cross-examination.

(10) Insofar as danger to the person or others is not created, each person involuntarily detained, treated in a less restrictive alternative course of treatment, or committed for treatment and evaluation pursuant to this chapter shall have, in addition to other rights not specifically withheld by law, the following rights:

(a) To wear his or her own clothes and to keep and use his or her own personal possessions, except when deprivation of same is essential to protect the safety of the resident or other persons;

(b) To keep and be allowed to spend a reasonable sum of his or her own money for canteen expenses and small purchases;

(c) To have access to individual storage space for his or her private use;

(d) To have visitors at reasonable times;

(e) To have reasonable access to a telephone, both to make and receive confidential calls, consistent with an effective treatment program;

(f) To have ready access to letter writing materials, including stamps, and to send and receive uncensored correspondence through the mails;

(g) To discuss treatment plans and decisions with professional persons;

(h) Not to consent to the administration of antipsychotic medications and not to thereafter be administered antipsychotic medications unless ordered by a court under RCW 71.05.217 or pursuant to an administrative hearing under RCW 71.05.215;

(i) Not to consent to the performance of electroconvulsant therapy or surgery, except emergency lifesaving surgery, unless ordered by a court under RCW 71.05.217;

(j) Not to have psychosurgery performed on him or her under any circumstances;

(k) To dispose of property and sign contracts unless such person has been adjudicated an incompetent in a court proceeding directed to that particular issue.

(11) Every person involuntarily detained shall immediately be informed of his or her right to a hearing to review the legality of his or her detention and of his or her right to counsel, by the professional person in charge of the facility providing evaluation and treatment, or his or her designee, and, when appropriate, by the court. If the person so elects, the court shall immediately appoint an attorney to assist him or her.

(12) A person challenging his or her detention or his or her attorney shall have the right to designate and have the court appoint a reasonably available independent physician, physician assistant, psychiatric advanced registered nurse practitioner, or ((licensed mental health)) other professional person to examine the person detained, the results of which examination may be used in the proceeding. The person shall, if he or she is financially able, bear the cost of such expert examination, otherwise such expert examination shall be at public expense.

(13) Nothing contained in this chapter shall prohibit the patient from petitioning by writ of habeas corpus for release.

(14) Nothing in this chapter shall prohibit a person committed on or prior to January 1, 1974, from exercising a right available to him or her at or prior to January 1, 1974, for obtaining release from confinement.

(15) Nothing in this section permits any person to knowingly violate a nocontact order or a condition of an active judgment and sentence or an active condition of supervision by the department of corrections.

Sec. 21. RCW 71.05.760 and 2016 sp.s. c 29 s 201 are each amended to read as follows:

(1)(a) By April 1, 2018, the department, by rule, must combine the functions of a designated mental health professional and designated chemical dependency specialist by establishing a designated crisis responder who is authorized to conduct investigations, detain persons up to seventy-two hours to the proper facility, and carry out the other functions identified in this chapter and chapter 71.34 RCW. The behavioral health organizations shall provide training to the designated crisis responders as required by the department.

(b)(i) To qualify as a designated crisis responder, a person must have received chemical dependency training as determined by the department and be a:

(A) Psychiatrist, psychologist, <u>physician assistant working with a</u> <u>supervising psychiatrist</u>, psychiatric advanced registered nurse practitioner, or social worker;

(B) Person with a master's degree or further advanced degree in counseling or one of the social sciences from an accredited college or university and who have, in addition, at least two years of experience in direct treatment of persons with mental illness or emotional disturbance, such experience gained under the direction of a mental health professional;

(C) Person who meets the waiver criteria of RCW 71.24.260, which waiver was granted before 1986;

(D) Person who had an approved waiver to perform the duties of a mental health professional that was requested by the regional support network and granted by the department before July 1, 2001; or

(E) Person who has been granted an exception of the minimum requirements of a mental health professional by the department consistent with rules adopted by the secretary.

(ii) Training must include chemical dependency training specific to the duties of a designated crisis responder, including diagnosis of substance abuse and dependence and assessment of risk associated with substance use.

(c) The department must develop a transition process for any person who has been designated as a designated mental health professional or a designated chemical dependency specialist before April 1, 2018, to be converted to a designated crisis responder. The behavioral health organizations shall provide training, as required by the department, to persons converting to designated crisis responders, which must include both mental health and chemical dependency training applicable to the designated crisis responder role.

(2)(a) The department must ensure that at least one sixteen-bed secure detoxification facility is operational by April 1, 2018, and that at least two sixteen-bed secure detoxification facilities are operational by April 1, 2019.

(b) If, at any time during the implementation of secure detoxification facility capacity, federal funding becomes unavailable for federal match for services provided in secure detoxification facilities, then the department must cease any expansion of secure detoxification facilities until further direction is provided by the legislature.

## Part Five - Technical

<u>NEW SECTION.</u> Sec. 22. Section 13 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.

<u>NEW SECTION.</u> Sec. 23. Sections 8, 11, and 13 of this act expire April 1, 2018.

<u>NEW SECTION.</u> Sec. 24. Sections 9, 12, 14, 15, and 17 through 21 of this act take effect April 1, 2018.

NEW SECTION. Sec. 25. Sections 9 and 15 of this act expire July 1, 2026.

<u>NEW SECTION.</u> Sec. 26. Sections 10 and 16 of this act take effect July 1, 2026.

Passed by the Senate June 30, 2017.

Passed by the House June 30, 2017.

Approved by the Governor July 6, 2017.

Filed in Office of Secretary of State July 7, 2017.

#### **CHAPTER 15**

[Senate Bill 5252]

HOMELESS PROGRAMS DOCUMENT RECORDING FEE--PERFORMANCE MEASURES

AN ACT Relating to measuring the effectiveness of document recording fee surcharge funds that support homeless programs; amending RCW 43.185C.040; and creating a new section.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that a surcharge on documents recorded for the sale or transfer of real property have generated approximately one hundred forty million dollars for homeless programs in Washington. The legislature further finds that according to a third-party audit of the use of surcharge funds, additional performance measures are needed to effectively measure the success of the state's homeless programs. Therefore, the legislature finds that developing and adopting recommendations to improve performance measures contained in the December 5, 2016, report required under RCW 43.185C.240(1)(e) will help ensure accountability and transparency of public funds and their effectiveness in reducing homelessness in Washington.

**Sec. 2.** RCW 43.185C.040 and 2015 c 69 s 25 are each amended to read as follows:

(1) Six months after the first Washington homeless census, the department shall, in consultation with the interagency council on homelessness and the affordable housing advisory board, prepare and publish a ten-year homeless housing strategic plan which shall outline statewide goals and performance measures and shall be coordinated with the plan for homeless families with children required under RCW 43.63A.650. To guide local governments in preparation of their first local homeless housing plans due December 31, 2005, the department shall issue by October 15, 2005, temporary guidelines consistent with this chapter and including the best available data on each community's homeless population. Local governments' ten-year homeless housing plans shall not be substantially inconsistent with the goals and program recommendations of the temporary guidelines and, when amended after 2005, the state strategic plan.

(2) Program outcomes and performance measures and goals shall be created by the department and reflected in the department's homeless housing strategic plan as well as interim goals against which state and local governments' performance may be measured, including: (a) By the end of year one, completion of the first census as described in RCW 43.185C.030;

(b) By the end of each subsequent year, goals common to all local programs which are measurable and the achievement of which would move that community toward housing its homeless population; and

(c) By July 1, 2015, reduction of the homeless population statewide and in each county by fifty percent.

(3)(a) The department shall work in consultation with the interagency council on homelessness, the affordable housing advisory board, and the state advisory council on homelessness to develop performance measures that address the limitations of the annual point-in-time count on measuring the effectiveness of the document recording fee surcharge funds in supporting homeless programs. The department must report its findings and recommendations regarding the new performance measures to the appropriate committees of the legislature by December 1, 2017.

(b) The department must implement at least three performance metrics, in addition to the point-in-time measurement, that measure the impact of surcharge funding on reducing homelessness by July 1, 2018.

(c) The joint legislative audit and review committee must review how the surcharge fees are expended to address homelessness, including a review of the related program performance measures and targets. The joint legislative audit and review committee must report its review findings by December 1, 2022, and update the review every five years thereafter.

(4) The department shall develop a consistent statewide data gathering instrument to monitor the performance of cities and counties receiving grants in order to determine compliance with the terms and conditions set forth in the grant application or required by the department.

The department shall, in consultation with the interagency council on homelessness and the affordable housing advisory board, report biennially to the governor and the appropriate committees of the legislature an assessment of the state's performance in furthering the goals of the state ten-year homeless housing strategic plan and the performance of each participating local government in creating and executing a local homeless housing plan which meets the requirements of this chapter. To increase the effectiveness of the report, the department must develop a process to ensure consistent presentation, analysis, and explanation in the report, including year-to-year comparisons, highlights of program successes and challenges, and information that supports recommended strategy or operational changes. The annual report may include performance measures such as:

(a) The reduction in the number of homeless individuals and families from the initial count of homeless persons;

(b) The reduction in the number of unaccompanied homeless youth. "Unaccompanied homeless youth" has the same meaning as in RCW 43.330.702;

(c) The number of new units available and affordable for homeless families by housing type;

(d) The number of homeless individuals identified who are not offered suitable housing within thirty days of their request or identification as homeless;

(e) The number of households at risk of losing housing who maintain it due to a preventive intervention;

(f) The transition time from homelessness to permanent housing;

(g) The cost per person housed at each level of the housing continuum;

(h) The ability to successfully collect data and report performance;

(i) The extent of collaboration and coordination among public bodies, as well as community stakeholders, and the level of community support and participation;

(j) The quality and safety of housing provided; and

(k) The effectiveness of outreach to homeless persons, and their satisfaction with the program.

(((4))) (5) Based on the performance of local homeless housing programs in meeting their interim goals, on general population changes and on changes in the homeless population recorded in the annual census, the department may revise the performance measures and goals of the state homeless housing strategic plan, set goals for years following the initial ten-year period, and recommend changes in local governments' plans.

Passed by the Senate June 29, 2017. Passed by the House June 29, 2017. Approved by the Governor July 6, 2017. Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 16**

[Engrossed Second Substitute Senate Bill 5254]

GROWTH MANAGEMENT ACT--BUILDABLE LANDS--HOMELESS HOUSING FUNDING

AN ACT Relating to ensuring adequacy of buildable lands and zoning in urban growth areas and providing funding for low-income housing and homelessness programs; amending RCW 36.70A.115, 36.70A.215, 36.70A.070, 36.22.179, 82.46.037, and 43.21C.440; adding a new section to chapter 36.70A RCW; and providing an expiration date.

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

Sec. 1. RCW 36.70A.115 and 2009 c 121 s 3 are each amended to read as follows:

(1) Counties and cities that are required or choose to plan under RCW 36.70A.040 shall ensure that, taken collectively, adoption of and amendments to their comprehensive plans and/or development regulations provide sufficient capacity of land suitable for development within their jurisdictions to accommodate their allocated housing and employment growth, including the accommodation of, as appropriate, the medical, governmental, educational, institutional, commercial, and industrial facilities related to such growth, as adopted in the applicable countywide planning policies and consistent with the twenty-year population forecast from the office of financial management.

(2) This analysis shall include the reasonable measures findings developed under RCW 36.70A.215, if applicable to such counties and cities.

**Sec. 2.** RCW 36.70A.215 and 2011 c 353 s 3 are each amended to read as follows:

(1) Subject to the limitations in subsection (((7))) (5) of this section, a county shall adopt, in consultation with its cities, countywide planning policies

to establish a review and evaluation program. This program shall be in addition to the requirements of RCW 36.70A.110, 36.70A.130, and 36.70A.210. In developing and implementing the review and evaluation program required by this section, the county and its cities shall consider information from other appropriate jurisdictions and sources. The purpose of the review and evaluation program shall be to:

(a) Determine whether a county and its cities are achieving urban densities within urban growth areas by comparing growth and development assumptions, targets, and objectives contained in the countywide planning policies and the county and city comprehensive plans with actual growth and development that has occurred in the county and its cities; and

(b) Identify reasonable measures, other than adjusting urban growth areas, that will be taken to comply with the requirements of this chapter. <u>Reasonable</u> measures are those actions necessary to reduce the differences between growth and development assumptions and targets contained in the countywide planning policies and the county and city comprehensive plans with actual development patterns. The reasonable measures process in subsection (3) of this section shall be used as part of the next comprehensive plan update to reconcile inconsistencies.

(2) The review and evaluation program shall:

(a) Encompass land uses and activities both within and outside of urban growth areas and provide for annual collection of data on urban and rural land uses, development, <u>zoning</u> and <u>development</u> standards, <u>environmental</u> regulations including but not limited to critical areas, <u>stormwater</u>, <u>shoreline</u>, and <u>tree retention requirements</u>; and capital facilities ((to the extent necessary)) to determine the quantity and type of land suitable for development, both for residential and employment-based activities;

(b) Provide for evaluation of the data collected under (a) of this subsection as provided in subsection (3) of this section. The evaluation shall be completed no later than ((one)) <u>three</u> years prior to the deadline for review and, if necessary, update of comprehensive plans and development regulations as required by RCW 36.70A.130. For comprehensive plans required to be updated before 2024, the evaluation as provided in subsection (3) of this section shall be completed no later than two years prior to the deadline for review and, if necessary, update of comprehensive plans. The county and its cities may establish in the countywide planning policies indicators, benchmarks, and other similar criteria to use in conducting the evaluation;

(c) Provide for methods to resolve disputes among jurisdictions relating to the countywide planning policies required by this section and procedures to resolve inconsistencies in collection and analysis of data; and

(d) ((Provide for the amendment of the countywide policies and county and eity comprehensive plans as needed to remedy an inconsistency identified through the evaluation required by this section, or to bring these policies into compliance with the requirements of this chapter.)) Develop reasonable measures to use in reducing the differences between growth and development assumptions and targets contained in the countywide planning policies and county and city comprehensive plans, with the actual development patterns. The reasonable measures shall be adopted, if necessary, into the countywide planning policies and the county or city comprehensive plans and development regulations during the next scheduled update of the plans.

(3) At a minimum, the evaluation component of the program required by subsection (1) of this section shall:

(a) Determine whether there is sufficient suitable land to accommodate the countywide population projection established for the county pursuant to RCW 43.62.035 and the subsequent population allocations within the county and between the county and its cities and the requirements of RCW 36.70A.110(( $\frac{1}{2}$ )

(b))). The zoned capacity of land alone is not a sufficient standard to deem land suitable for development or redevelopment within the twenty-year planning period;

(b) An evaluation and identification of land suitable for development or redevelopment shall include:

(i) A review and evaluation of the land use designation and zoning/development regulations; environmental regulations (such as tree retention, stormwater, or critical area regulations) impacting development; and other regulations that could prevent assigned densities from being achieved; infrastructure gaps (including but not limited to transportation, water, sewer, and stormwater); and

(ii) Use of a reasonable land market supply factor when evaluating land suitable to accommodate new development or redevelopment of land for residential development and employment activities. The reasonable market supply factor identifies reductions in the amount of land suitable for development and redevelopment. The methodology for conducting a reasonable land market factor shall be determined through the guidance developed in section 3 of this act;

(c) Provide an analysis of county and/or city development assumptions, targets, and objectives contained in the countywide planning policies and the county and city comprehensive plans when growth targets and assumptions are not being achieved. It is not appropriate to make a finding that assumed growth contained in the countywide planning policies and the county or city comprehensive plan will occur at the end of the current comprehensive planning twenty-year planning cycle without rationale;

(d) Determine the actual density of housing that has been constructed and the actual amount of land developed for commercial and industrial uses within the urban growth area since the adoption of a comprehensive plan under this chapter or since the last periodic evaluation as required by subsection (1) of this section; and

(((e))) (e) Based on the actual density of development as determined under (b) of this subsection, review commercial, industrial, and housing needs by type and density range to determine the amount of land needed for commercial, industrial, and housing for the remaining portion of the twenty-year planning period used in the most recently adopted comprehensive plan.

(4) ((If the evaluation required by subsection (3) of this section demonstrates an inconsistency between what has occurred since the adoption of the countywide planning policies and the county and eity comprehensive plans and development regulations and what was envisioned in those policies and plans and the planning goals and the requirements of this chapter, as the inconsistency relates to the evaluation factors specified in subsection (3) of this

section, the county and its cities shall adopt and implement measures that are reasonably likely to increase consistency during the subsequent five year period. If necessary, a county, in consultation with its cities as required by RCW 36.70A.210, shall adopt amendments to countywide planning policies to increase consistency. The county and its cities shall annually monitor the measures adopted under this subsection to determine their effect and may revise or rescind them as appropriate.

(5)(a) Not later than July 1, 1998, the department shall prepare a list of methods used by counties and cities in carrying out the types of activities required by this section. The department shall provide this information and appropriate technical assistance to counties and cities required to or choosing to comply with the provisions of this section.

(b) By December 31, 2007, the department shall submit to the appropriate committees of the legislature a report analyzing the effectiveness of the activities described in this section in achieving the goals envisioned by the countywide planning policies and the comprehensive plans and development regulations of the counties.

(6))) From funds appropriated by the legislature for this purpose, the department shall provide grants to counties, cities, and regional planning organizations required under subsection (((7))) (5) of this section to conduct the review and perform the evaluation required by this section.

(((7))) (5) The provisions of this section shall apply to counties, and the cities within those counties, that were greater than one hundred fifty thousand in population in ((1995)) 1996 as determined by office of financial management population estimates and that are located west of the crest of the Cascade mountain range. Any other county planning under RCW 36.70A.040 may carry out the review, evaluation, and amendment programs and procedures as provided in this section.

(6) The requirements of this section are subject to the availability of funds appropriated for this specific purpose. If sufficient funds are not appropriated consistent with the timelines in subsection (2)(b) of this section, counties and cities shall be subject to the review and evaluation program as it existed prior to the effective date of this section.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 36.70A RCW to read as follows:

(1) The department of commerce, through a contract with a land use and economics entity, shall develop guidance for local governments on the review and evaluation program in RCW 36.70A.215. The contract shall be with an entity experienced in serving private and public sector clients which can assist developers and policy makers to understand near-term market realities and long-term planning considerations, and with experience facilitating successful conversations between multiple local governments and stakeholders on complex land use issues. The department of commerce shall enable appropriate public participation by affected stakeholders in the development of the guidance for the appropriate market factor analysis and review and update of the overall buildable lands program. This guidance regarding the market factor methodology and buildable lands program shall be completed by December 1, 2018. The buildable lands guidance shall analyze and provide recommendations on:

(a) The review and evaluation program in RCW 36.70A.215 and changes to the required information to be analyzed within the program to increase the accuracy of the report when updating countywide planning policies and the county and city comprehensive plans;

(b) Whether a more effective schedule could be developed for countywide planning policies and the county and city comprehensive plan updates to better align with implementing reasonable measures identified through the review and evaluation program, and population projections and census data while maintaining appropriate and timely consideration of planning needs best done through a comprehensive planning process;

(c) A determination on how reasonable measures, based on the review and evaluation program, should be implemented into updates for countywide planning policies and the county and city comprehensive plans;

(d) Infrastructure costs, including but not limited to transportation, water, sewer, stormwater, and the cost to provide new or upgraded infrastructure if required to serve development; cost of development; timelines to permit and develop land; market availability of land; the nexus between proposed densities, economic conditions needed to achieve those densities, and the impact to housing affordability for home ownership and rental housing; and, market demand when evaluating if land is suitable for development or redevelopment. These all have an impact on whether development occurs or if planned for densities will differ from achieved densities;

(e) Identifying the measures to increase housing availability and affordability for all economic segments of the community and the factors cost contributing to the high of housing including zoning/development/environmental regulations, permit processing timelines, housing production trends by housing type and rents and prices, national and regional economic and demographic trends affecting housing affordability and production by rents and prices, housing unit size by housing type, and how well growth targets align with market conditions including the assumptions on where people desire to live;

(f) Evaluating how existing zoning and land use regulations are promoting or hindering attainment of the goal for affordable housing in RCW 36.70A.020(4). Barriers to meeting this goal shall be identified and considered as possible reasonable measures for each county and city, and as part of the next countywide planning policies and county and city comprehensive plan update;

(g) Identifying opportunities and strategies to encourage growth within urban growth areas;

(h) Identifying strategies to increase local government capacity to invest in the infrastructure necessary to accommodate growth and provide opportunities for affordable housing across all economic segments of the community and housing types; and

(i) Other topics identified by stakeholders and the department.

(2) The requirements of this section are subject to the availability of funds appropriated for this specific purpose.

**Sec. 4.** RCW 36.70A.070 and 2017 c 331 s 2 are each amended to read as follows:

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text

covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140. Each comprehensive plan shall include a plan, scheme, or design for each of the following:

(1) A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound.

(2) A housing element ensuring the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences; (c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and projected needs of all economic segments of the community. In counties and cities subject to the review and evaluation requirements of RCW 36.70A.215, any revision to the housing element shall include consideration of prior review and evaluation reports and any reasonable measures identified.

(3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.

(4) A utilities element consisting of the general location, proposed location, and capacity of all existing and proposed utilities, including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.

(5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:

(a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.

(b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character.

(c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:

(i) Containing or otherwise controlling rural development;

(ii) Assuring visual compatibility of rural development with the surrounding rural area;

(iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;

(iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources; and

(v) Protecting against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.

(d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:

(i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.

(A) A commercial, industrial, residential, shoreline, or mixed-use area are subject to the requirements of (d)(iv) of this subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.

(B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.

(C) Any development or redevelopment in terms of building size, scale, use, or intensity shall be consistent with the character of the existing areas. Development and redevelopment may include changes in use from vacant land

or a previously existing use so long as the new use conforms to the requirements of this subsection (5);

(ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;

(iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government according to RCW 36.70A.030(15). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to RCW 36.70A.030(15). Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl;

(iv) A county shall adopt measures to minimize and contain the existing areas or uses of more intensive rural development, as appropriate, authorized under this subsection. Lands included in such existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary, the county shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries, such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;

(v) For purposes of (d) of this subsection, an existing area or existing use is one that was in existence:

(A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;

(B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions of this chapter under RCW 36.70A.040(2); or

(C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).

(e) Exception. This subsection shall not be interpreted to permit in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.

(6) A transportation element that implements, and is consistent with, the land use element.

(a) The transportation element shall include the following subelements:

(i) Land use assumptions used in estimating travel;

(ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of land-use decisions on state-owned transportation facilities;

(iii) Facilities and services needs, including:

(A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;

(B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated;

(C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting level of service standards for state highways in the local comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, or transit program and the office of financial management's ten-year investment program. The concurrency requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection;

(D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;

(E) Forecasts of traffic for at least ten years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;

(F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;

(iv) Finance, including:

(A) An analysis of funding capability to judge needs against probable funding resources;

(B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for

the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ten-year investment program developed by the office of financial management as required by RCW 47.05.030;

(C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;

(v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;

(vi) Demand-management strategies;

(vii) Pedestrian and bicycle component to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.

(b) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made concurrent with the development. These strategies may include increased public transportation service, ride-sharing programs, demand management, and other transportation systems management strategies. For the purposes of this subsection (6), "concurrent with the development" means that improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years. If the collection of impact fees is delayed under RCW 82.02.050(3), the six-year period required by this subsection (6)(b) must begin after full payment of all impact fees is due to the county or city.

(c) The transportation element described in this subsection (6), the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ten-year investment program required by RCW 47.05.030 for the state, must be consistent.

(7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. ((The element may include the provisions in section 3 of this act.)) A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.

(8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.

(9) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW

36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.

Sec. 5. RCW 36.22.179 and 2014 c 200 s 1 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 (2) of this section, an additional surcharge of ten dollars shall be charged by the county auditor for each document recorded, which will be in addition to any other charge allowed by law. From September 1, 2012, through June 30, (( $\frac{2019}{1000}$ )) 2023, the surcharge shall be forty dollars. 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. 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. Of the remaining eighty-seven and one-half percent, at least forty-five percent must be set aside for the use of private rental housing payments, and the remainder is 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) 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

state, county, or city lien or satisfaction of lien. or (f) documents recording a water-sewer district lien or satisfaction of a lien for delinquent utility payments.

Sec. 6. RCW 82.46.037 and 2016 c 138 s 4 are each amended to read as follows:

(1) A city or county that meets the requirements of subsection (2) of this section may use the greater of one hundred thousand dollars or twenty-five percent of available funds, but not to exceed one million dollars per year, from revenues collected under RCW 82.46.035 for:

(a) The maintenance of capital projects, as defined in RCW 82.46.035(5); ((or))

(b) From July 1, 2017, until June 30, 2019, the acquisition, construction, improvement, or rehabilitation of facilities to provide housing for the homeless; or

(c) The planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, improvement, or maintenance of capital projects as defined in RCW 82.46.010(6)(b) that are not also included within the definition of capital projects in RCW 82.46.035(5).

(2) A city or county may use revenues pursuant to subsection (1) of this section if:

(a) The city or county prepares a written report demonstrating that it has or will have adequate funding from all sources of public funding to pay for all capital projects, as defined in RCW 82.46.035(5), identified in its capital facilities plan for the succeeding two-year period; and

(b)(i) The city or county has not enacted, after June 9, 2016, any requirement on the listing or sale of real property; or any requirement on landlords, at the time of executing a lease, to perform or provide physical improvements or modifications to real property or fixtures, except if necessary to address an immediate threat to health or safety; ((or))

(ii) Any local requirement adopted by the city or county under (b)(i) of this subsection is: Specifically authorized by RCW 35.80.030, 35A.11.020, chapter 7.48 RCW, or chapter 19.27 RCW; specifically authorized by other state or federal law; or a seller or landlord disclosure requirement pursuant to RCW 64.06.080; or

(iii) For a city or county using funds under subsection (1)(b) of this section, the requirements of this subsection apply, except that the date for such enactment under (b)(i) of this subsection is ninety days after the effective date of this section.

(3) The report prepared under subsection (2)(a) of this section must: (a) Include information necessary to determine compliance with the requirements of subsection (2)(a) of this section; (b) identify how revenues collected under RCW 82.46.035 were used by the city or county during the prior two-year period; (c) identify how funds authorized under subsection (1) of this section will be used during the succeeding two-year period; and (d) identify what percentage of funding for capital projects within the city or county is attributable to revenues under RCW 82.46.035 compared to all other sources of capital project funding. The city or county must prepare and adopt the report as part of its regular, public budget process.

(4) ((The authority to use funds as authorized in this section is in addition to the authority to use funds pursuant to RCW 82.46.035(7), which remains in effect through December 31, 2016.

(5))) For purposes of this section, "maintenance" means the use of funds for labor and materials that will preserve, prevent the decline of, or extend the useful life of a capital project. "Maintenance" does not include labor or material costs for routine operations of a capital project.

Sec. 7. RCW 43.21C.440 and 2012 1st sp.s. c 1 s 303 are each amended to read as follows:

(1) For purposes of this chapter, a planned action means one or more types of development or redevelopment that meet the following criteria:

(a) Are designated as planned actions by an ordinance or resolution adopted by a county, city, or town planning under RCW 36.70A.040;

(b) <u>In conjunction with, or to implement, a comprehensive plan or subarea</u> plan adopted under chapter 36.70A RCW, or a fully contained community, a master planned resort, a master planned development, or a phased project, have had the significant impacts adequately addressed:

(i) In an environmental impact statement under the requirements of this chapter ((in conjunction with, or to implement, a comprehensive plan or subarea plan adopted under chapter 36.70A RCW, or a fully contained community, a master planned resort, a master planned development, or a phased project)); or

(ii) In a threshold determination or, where one is appropriate, in an environmental impact statement under the requirements of this chapter, if the planned action contains mixed use or residential development and encompasses an area that:

(A) Is within one-half mile of a major transit stop; or

(B) Will be within one-half mile of a major transit stop no later than five years from the date of the designation of the planned action;

(c) Have had project level significant impacts adequately addressed in <u>a</u> threshold determination or, where one is required under (b) of this subsection or where otherwise appropriate, an environmental impact statement, unless the impacts are specifically deferred for consideration at the project level pursuant to subsection (3)(b) of this section;

(d) Are subsequent or implementing projects for the proposals listed in (b) of this subsection;

(e) Are located within an urban growth area designated pursuant to RCW 36.70A.110;

(f) Are not essential public facilities, as defined in RCW 36.70A.200, unless an essential public facility is accessory to or part of a residential, office, school, commercial, recreational, service, or industrial development that is designated a planned action under this subsection; and

(g) Are consistent with a comprehensive plan or subarea plan adopted under chapter 36.70A RCW.

(2) A county, city, or town shall define the types of development included in the planned action and may limit a planned action to:

(a) A specific geographic area that is less extensive than the jurisdictional boundaries of the county, city, or town; or

(b) A time period identified in the ordinance or resolution adopted under this subsection.

(3)(a) A county, city, or town shall determine during permit review whether a proposed project is consistent with a planned action ordinance adopted by the jurisdiction. To determine project consistency with a planned action ordinance, a county, city, or town may utilize a modified checklist pursuant to the rules adopted to implement RCW 43.21C.110, a form that is designated within the planned action ordinance, or a form contained in agency rules adopted pursuant to RCW 43.21C.120.

(b) A county, city, or town is not required to make a threshold determination and may not require additional environmental review, for a proposal that is determined to be consistent with the development or redevelopment described in the planned action ordinance, except for impacts that are specifically deferred to the project level at the time of the planned action ordinance's adoption. At least one community meeting must be held before the notice is issued for the planned action ordinance. Notice for the planned action and notice of the community meeting required by this subsection (3)(b) must be mailed or otherwise verifiably provided to: (i) All affected federally recognized tribal governments; and (ii) agencies with jurisdiction over the future development anticipated for the planned action. The determination of consistency, and the adequacy of any environmental review that was specifically deferred, are subject to the type of administrative appeal that the county, city, or town provides for the proposal itself consistent with RCW 36.70B.060.

(4) For a planned action ordinance that encompasses the entire jurisdictional boundary of a county, city, or town, at least one community meeting must be held before the notice is issued for the planned action ordinance. Notice for the planned action ordinance and notice of the community meeting required by this subsection must be mailed or otherwise verifiably provided to:

(a) All property owners of record within the county, city, or town;

(b) All affected federally recognized tribal governments; and

(c) All agencies with jurisdiction over the future development anticipated for the planned action.

(5) For purposes of this section, "major transit stop" means a commuter rail stop, a stop on a rail or fixed guideway or transitway system, or a stop on a high capacity transportation service funded or expanded under chapter 81.104 RCW.

NEW SECTION. Sec. 8. Section 2 of this act expires January 1, 2030.

Passed by the Senate June 29, 2017.

Passed by the House June 29, 2017.

Approved by the Governor July 6, 2017.

Filed in Office of Secretary of State July 7, 2017.

#### **CHAPTER 17**

[Engrossed Substitute Senate Bill 5303]

AQUATIC INVASIVE SPECIES--ACCOUNTS--PREVENTION PERMIT--BALLAST

AN ACT Relating to aquatic invasive species management; amending RCW 43.43.400, 77.120.110, 77.120.070, 77.135.160, 77.120.010, 77.135.110, and 77.135.120; reenacting and amending RCW 88.02.640, 88.02.640, 77.15.160, and 77.135.010; adding new sections to chapter 77.135 RCW; adding new sections to chapter 77.120 RCW; creating a new section; repealing RCW 77.12.879; prescribing penalties; providing an effective date; and providing an expiration date.

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

### PART ONE

## AQUATIC INVASIVE SPECIES MANAGEMENT—AQUATIC INVASIVE SPECIES, BALLAST WATER, AND BIOFOULING MANAGEMENT ACCOUNTS

<u>NEW SECTION.</u> Sec. 101. A new section is added to chapter 77.135 RCW to read as follows:

The aquatic invasive species management account is created in the state treasury. All receipts directed to the account from RCW 88.02.640 and section 203 of this act, as well as legislative appropriations, gifts, donations, fees, and penalties received by the department for aquatic invasive species management, must be deposited into the account. Moneys in the account may be used only after appropriation. Expenditures from the account may only be used to implement aquatic invasive species-related provisions under this title.

Sec. 102. RCW 43.43.400 and 2014 c 202 s 306 are each amended to read as follows:

(1) ((The aquatic invasive species enforcement account is created in the state treasury. Moneys directed to the account from RCW 88.02.640 must be deposited in the account. Expenditures from the account may only be used as provided in this section. Moneys in the account may be spent only after appropriation.

(2) Expenditures from the account by the Washington state patrol may only be used)) Money in the aquatic invasive species management account created in section 101 of this act may be used by the Washington state patrol for aquatic invasive species inspection training and to inspect for the presence of aquatic invasive species on aquatic conveyances that are required to stop at a Washington state patrol port of entry weigh station.

(((3) Expenditures from the account by the department of fish and wildlife may only be used to develop and implement an aquatic invasive species enforcement program including enforcement of chapter 77.135 RCW, enforcement of aquatic invasive species provisions in chapter 77.15 RCW, and training Washington state patrol employees working at port of entry weigh stations on how to inspect aquatic conveyances for the presence of aquatic invasive species.

(4))) (2) Unless the context clearly requires otherwise, the definitions in both RCW 77.08.010 and 77.135.010 apply throughout this section.

**Sec. 103.** RCW 88.02.640 and 2015 3rd sp.s. c 44 s 216, 2015 3rd sp.s. c 6 s 803, and 2015 2nd sp.s. c 1 s 2 are each reenacted and amended to read as follows:

(1) In addition to any other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director must charge the following vessel fees and surcharge:

FEE	AMOUNT	AUTHORITY	DISTRIBUTION
(a) Dealer temporary permit	\$5.00	RCW 88.02.800(2)	General fund
(b) Derelict vessel and invasive species removal	Subsection (3) of this section	Subsection (3) of this section	Subsection (3) of this section

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(c) Derelict vessel removal surcharge	\$1.00	Subsection (4) of this section	Subsection (4) of this section
(d) Duplicate certificate of title	\$1.25	RCW 88.02.530(1)(c)	General fund
(e) Duplicate registration	\$1.25	RCW 88.02.590(1)(c)	General fund
(f) Filing	RCW 46.17.005	RCW 88.02.560(2)	RCW 46.68.400
(g) License plate technology	RCW 46.17.015	RCW 88.02.560(2)	RCW 46.68.370
(h) License service	RCW 46.17.025	RCW 88.02.560(2)	RCW 46.68.220
(i) Nonresident vessel permit	Subsection (5) of this section	RCW 88.02.620(4)	Subsection (5) of this section
(j) Quick title service	\$50.00	RCW 88.02.540(3)	Subsection (7) of this section
(k) Registration	\$10.50	RCW 88.02.560(2)	RCW 88.02.650
(l) Replacement decal	\$1.25	RCW 88.02.595(1)(c)	General fund
(m) Service fee	RCW 46.17.040	RCW 88.02.515 and 88.02.560(2)	RCW 46.17.040
(n) Title application	\$5.00	RCW 88.02.515	General fund
(o) Transfer	\$1.00	RCW 88.02.560(7)	General fund
(p) Vessel visitor permit	\$30.00	RCW 88.02.610(3)	Subsection (6) of this section

(2) The five dollar dealer temporary permit fee required in subsection (1) of this section must be credited to the payment of registration fees at the time application for registration is made.

(3) The derelict vessel and invasive species removal fee required in subsection (1) of this section is five dollars and must be distributed as follows:

(a) ((One dollar and fifty cents)) <u>Two dollars</u> must be deposited in the aquatic invasive species ((prevention)) <u>management</u> account created in ((RCW 77.12.879)) section 101 of this act;

(b) One dollar must be deposited into the aquatic algae control account created in RCW 43.21A.667; and

(c) ((Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400; and

(d))) Two dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100.

(4) In addition to other fees required in this section, an annual derelict vessel removal surcharge of one dollar must be charged with each vessel registration. The surcharge is to address the significant backlog of derelict vessels accumulated in Washington waters that pose a threat to the health and safety of the people and to the environment and must be deposited into the derelict vessel removal account created in RCW 79.100.100.

(5)(a) The amount of the nonresident vessel permit fee is:

(i) For a vessel owned by a nonresident natural person, twenty-five dollars; and

(ii) For a nonresident vessel owner that is not a natural person, the fee is equal to:

(A) Twenty-five dollars per foot for vessels between thirty and ninety-nine feet in length;

(B) Thirty dollars per foot for vessels between one hundred and one hundred twenty feet in length; and

(C) Thirty-seven dollars and fifty cents per foot for vessels between one hundred twenty-one and one hundred sixty-four feet in length. The fee must be multiplied by the extreme length of the vessel in feet, rounded up to the nearest whole foot.

(b) The fee must be paid by the vessel owner to the department. Any moneys remaining from the fee after the payment of costs to administer the permit must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650.

(c) A nonresident vessel owner that is not a natural person may not obtain more than two nonresident vessel permits under RCW 88.02.620 within any thirty-six month period.

(6) The thirty dollar vessel visitor permit fee must be distributed as follows:

(a) Five dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100;

(b) The department may keep an amount to cover costs for providing the vessel visitor permit;

(c) Any moneys remaining must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650; and

(d) Any fees required for licensing agents under RCW 46.17.005 are in addition to any other fee or tax due for the titling and registration of vessels.

(7)(a) The fifty dollar quick title service fee must be distributed as follows:

(i) If the fee is paid to the director, the fee must be deposited to the general fund.

(ii) If the fee is paid to the participating county auditor or other agent appointed by the director, twenty-five dollars must be deposited to the general fund. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.

(iii) If the fee is paid to a subagent appointed by the director, twenty-five dollars must be deposited to the general fund. The remaining twenty-five dollars must be distributed as follows: Twelve dollars and fifty cents must be retained by the county treasurer in the same manner as other fees collected by the county auditor and twelve dollars and fifty cents must be retained by the subagent.

(b) For the purposes of this subsection, "quick title" has the same meaning as in RCW 88.02.540.

(8) The department, county auditor or other agent, or subagent appointed by the director shall charge the service fee under subsection (1)(m) of this section beginning January 1, 2016.

**Sec. 104.** RCW 88.02.640 and 2015 3rd sp.s. c 44 s 216 and 2015 2nd sp.s. c 1 s 2 are each reenacted and amended to read as follows:

(1) In addition to any other fees and taxes required by law, the department, county auditor or other agent, or subagent appointed by the director shall charge the following vessel fees and surcharge:

FEE	AMOUNT	AUTHORITY	DISTRIBUTION
(a) Dealer temporary	\$5.00	RCW 88.02.800(2)	General fund
permit			

(b) Derelict vessel and invasive species removal	Subsection (3) of this section	Subsection (3) of this section	Subsection (3) of this section
(c) Derelict vessel removal surcharge	\$1.00	Subsection (4) of this section	Subsection (4) of this section
(d) Duplicate certificate of title	\$1.25	RCW 88.02.530(1)(c)	General fund
(e) Duplicate registration	\$1.25	RCW 88.02.590(1)(c)	General fund
(f) Filing	RCW 46.17.005	RCW 88.02.560(2)	RCW 46.68.400
(g) License plate technology	RCW 46.17.015	RCW 88.02.560(2)	RCW 46.68.370
(h) License service	RCW 46.17.025	RCW 88.02.560(2)	RCW 46.68.220
(i) Nonresident vessel permit	\$25.00	RCW 88.02.620(3)	Subsection (5) of this section
(j) Quick title service	\$50.00	RCW 88.02.540(3)	Subsection (7) of this section
(k) Registration	\$10.50	RCW 88.02.560(2)	RCW 88.02.650
(l) Replacement decal	\$1.25	RCW 88.02.595(1)(c)	General fund
(m) Service fee	RCW 46.17.040	RCW 88.02.515 and 88.02.560(2)	RCW 46.17.040
(n) Title application	\$5.00	RCW 88.02.515	General fund
(o) Transfer	\$1.00	RCW 88.02.560(7)	General fund
(p) Vessel visitor permit	\$30.00	RCW 88.02.610(3)	Subsection (6) of this section

(2) The five dollar dealer temporary permit fee required in subsection (1) of this section must be credited to the payment of registration fees at the time application for registration is made.

(3) The derelict vessel and invasive species removal fee required in subsection (1) of this section is five dollars and must be distributed as follows:

(a) ((One dollar and fifty cents)) <u>Two dollars</u> must be deposited in the aquatic invasive species ((prevention)) <u>management</u> account created in ((<del>RCW</del> 77.12.879)) section 101 of this act;

(b) One dollar must be deposited into the aquatic algae control account created in RCW 43.21A.667; and

(c) ((Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400; and

(d))) Two dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100.

(4) In addition to other fees required in this section, an annual derelict vessel removal surcharge of one dollar must be charged with each vessel registration. The surcharge is to address the significant backlog of derelict vessels accumulated in Washington waters that pose a threat to the health and safety of the people and to the environment and must be deposited into the derelict vessel removal account created in RCW 79.100.100.

(5) The twenty-five dollar nonresident vessel permit fee must be paid by the vessel owner to the department for the cost of providing the identification document by the department. Any moneys remaining from the fee after the payment of costs must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650.

(6) The thirty dollar vessel visitor permit fee must be distributed as follows:

(a) Five dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100;

(b) The department may keep an amount to cover costs for providing the vessel visitor permit;

(c) Any moneys remaining must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650; and

(d) Any fees required for licensing agents under RCW 46.17.005 are in addition to any other fee or tax due for the titling and registration of vessels.

(7)(a) The fifty dollar quick title service fee must be distributed as follows:

(i) If the fee is paid to the director, the fee must be deposited to the general fund.

(ii) If the fee is paid to the participating county auditor or other agent appointed by the director, twenty-five dollars must be deposited to the general fund. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.

(iii) If the fee is paid to a subagent appointed by the director, twenty-five dollars must be deposited to the general fund. The remaining twenty-five dollars must be distributed as follows: Twelve dollars and fifty cents must be retained by the county treasurer in the same manner as other fees collected by the county auditor and twelve dollars and fifty cents must be retained by the subagent.

(b) For the purposes of this subsection, "quick title" has the same meaning as in RCW 88.02.540.

(8) The department, county auditor or other agent, or subagent appointed by the director shall charge the service fee under subsection (1)(m) of this section beginning January 1, 2016.

<u>NEW SECTION.</u> Sec. 105. The state treasurer shall transfer all moneys in the aquatic invasive species enforcement account created in RCW 43.43.400 and the aquatic invasive species prevention account created in RCW 77.12.879 to the aquatic invasive species management account created in section 101 of this act.

Sec. 106. RCW 77.120.110 and 2009 c 333 s 27 are each amended to read as follows:

(1) The ballast water <u>and biofouling</u> management account is created in the state treasury. All receipts from legislative appropriations, gifts, grants, donations, penalties, and fees received under this chapter must be deposited into the account.

(2) Expenditures from the account may be used only to carry out the purposes of this chapter. However, penalties may not be used for the salaries of permanent department employees.

(3) Moneys in the account may be spent only after appropriation. ((Expenditures from the account may be used only to carry out the purposes of this chapter or support the goals of this chapter through research and monitoring except:

(a) Expenditures may not be used for the salaries of permanent department employees; and

(b) Penalties deposited into the account may be used only to support basic and applied research and carry out education and outreach related to the state's ballast water management.)) <u>NEW SECTION.</u> Sec. 107. RCW 77.12.879 (Aquatic invasive species prevention account) and 2014 c 202 s 309 & 2013 c 307 s 1 are each repealed.

#### PART TWO

# AQUATIC INVASIVE SPECIES MANAGEMENT—AQUATIC INVASIVE SPECIES, BALLAST WATER, AND BIOFOULING PROGRAM FUNDING

<u>NEW SECTION.</u> Sec. 201. A new section is added to chapter 77.135 RCW to read as follows:

(1) The department may issue aquatic invasive species prevention permits to operators of vessels and aquatic conveyances.

(2) A person must obtain a Washington state aquatic invasive species prevention permit for each seaplane or vessel registered in another state, before placing or operating such a vessel or seaplane on any water body in the state.

(3) The valid aquatic invasive species prevention permit must be present and readily available for inspection by a fish and wildlife officer or ex officio fish and wildlife officer at the location where the vessel or seaplane is placed or operated.

(4) Aquatic invasive species prevention permits for conveyances listed in subsection (2) of this section are not transferable.

<u>NEW SECTION.</u> Sec. 202. A new section is added to chapter 77.135 RCW to read as follows:

(1) The department may issue aquatic invasive species prevention permits to commercial transporters of vessels and aquatic conveyances.

(2) A person must obtain a Washington state aquatic invasive species prevention permit before commercially transporting into or through the state one or more of the following conveyances that have previously been placed or operated in the waters of any state or country: (a) A small vessel; (b) a registered vessel; (c) a seaplane; or (d) a commercial vessel.

(3) The valid aquatic invasive species prevention permit must be present and readily available for inspection upon request by a fish and wildlife officer or ex officio fish and wildlife officer at any location where the listed conveyance is associated with the transport vehicle.

(4) The aquatic invasive species prevention permit is transferable between vehicles and vehicle operators of the same business used to commercially transport aquatic conveyances but a separate permit is required for each vehicle operator commercially transporting aquatic conveyances at any given time.

(5) An aquatic invasive species prevention permit is not required to commercially transport new conveyances if the vehicle operator has documentation present and readily available proving all conveyances originated from the manufacturer or vendor and the conveyances have never been placed or operated in waters of any state or country.

<u>NEW SECTION.</u> Sec. 203. A new section is added to chapter 77.135 RCW to read as follows:

(1) Washington state aquatic invasive species prevention permits are valid for one year beginning from the date that the permit is marked for activation unless otherwise directed by the department. The permits must be made available for purchase throughout the year through the department's automated licensing system consistent with RCW 77.32.050. (2) The aquatic invasive species prevention permit fee for a nonresident registered vessel or seaplane as required under section 201 of this act is twenty dollars.

(3) The aquatic invasive species prevention permit fee for a person commercially transporting a small vessel, registered vessel, seaplane, or commercial vessel as required under section 202 of this act is twenty dollars.

(4) The department may adopt rules addressing conditions and costs of obtaining duplicate aquatic invasive species prevention permits.

(5) Permit fees collected under this section must be deposited into the aquatic invasive species management account created in section 101 of this act.

(6) Exemptions for aquatic invasive species prevention permits include:

(a) A military vessel or seaplane owned by the United States government; and

(b) A vessel clearly identified as being owned by any federal, tribal, state, or local government agency or other public corporations, and used primarily for governmental purposes.

(7)(a) The following nonresident aquatic conveyances are exempt from aquatic invasive species prevention permit requirements under this section while placed or operated on shared boundary waters of the state:

(i) Vessels having valid state of Idaho or Oregon registration or numbering; and

(ii) Seaplanes or commercial vessels having a valid Idaho or Oregon aquatic invasive species prevention or similar permit.

(b) The department may adopt by rule a regional reciprocity process to further exempt aquatic conveyances from permit requirements under this section in part or whole. A reciprocity system may be implemented only where the participating state or country does not require a Washington resident to purchase an equivalent permit.

<u>NEW SECTION.</u> Sec. 204. A new section is added to chapter 77.120 RCW to read as follows:

The department may enter into partnerships, contracts, or any other form of agreements with other entities to carry out the intent of this chapter. The department shall ensure that any such entity is registered and licensed to do business in Washington. All agreements must be consistent with existing state laws, agency rules, state water quality standards, and collective bargaining agreements.

#### PART THREE

# AQUATIC INVASIVE SPECIES MANAGEMENT—OTHER PROVISIONS

<u>NEW SECTION.</u> Sec. 301. A new section is added to chapter 77.120 RCW to read as follows:

(1) The owner or operator of a vessel covered by this chapter is required to ensure that the vessel under their ownership or control does not release biofouling into waters of the state except as authorized by this section.

(2) The department may adopt by rule standards and requirements governing the release of biofouling on vessels arriving or moored at a Washington port.

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(3) The department shall adopt rules under subsection (2) of this section for adoption in consultation with a collaborative forum with advisors from regulated industries and the potentially affected parties including shipping interests, ports, shellfish growers, fisheries, environmental interests, interested citizens who have knowledge of the issues, and appropriate governmental representatives including the United States coast guard and the United States environmental protection agency. The rules must:

(a) Ensure that biofouling management poses minimal risk of release of nonindigenous species;

(b) Be based on the best available technology that is economically achievable; and

(c) Where practical and appropriate, be compatible with standards and requirements set by the United States coast guard, the United States environmental protection agency, or the international maritime organization.

<u>NEW SECTION.</u> Sec. 302. A new section is added to chapter 77.135 RCW to read as follows:

(1) Money in the aquatic invasive species management account created in section 101 of this act may be appropriated to the department to establish an aquatic invasive species local management grant program. The department shall enter into agreement with the recreation and conservation office to administer the grant funds or other financial assistance, assist the department in developing grant program policies and funding criteria, and consult with the department prior to awarding grants. State agencies, cities, counties, tribes, special purpose districts, academic institutions, and nonprofit groups are eligible for competitive grants to:

(a) Manage prohibited level 1 or level 2 aquatic species at a local level;

(b) Develop rapid response management cooperative agreements for local water bodies;

(c) Develop or implement prohibited species management cooperative agreements for local water bodies; and

(d) Conduct innovative applied research that directly supports on-theground prevention, control, and eradication efforts.

(2) The department may give preference to projects that have matching funds, provide in-kind services, or maintain or enhance outdoor recreational opportunities.

**Sec. 303.** RCW 77.15.160 and 2014 c 202 s 204 and 2014 c 48 s 7 are each reenacted and amended to read as follows:

The following acts are infractions and must be cited and punished as provided under chapter 7.84 RCW:

(1) Fishing and shellfishing infractions:

(a) Barbed hooks: Fishing for personal use with barbed hooks in violation of any department rule.

(b) Catch recording: Failing to immediately record a catch of fish or shellfish on a catch record card as required by RCW 77.32.430 or department rule.

(c) Catch reporting: Failing to return a catch record card to the department for other than Puget Sound Dungeness crab, as required by department rule.

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(d) Recreational fishing: Fishing for fish or shellfish, without yet possessing fish or shellfish, the person:

(i) Owns, but fails to have in the person's possession, the license or the catch record card required by chapter 77.32 RCW for such an activity; or

(ii) Violates any department rule regarding seasons, closed areas, closed times, or any other rule addressing the manner or method of fishing for fish or shellfish. This subsection does not apply to use of a net to take fish under RCW 77.15.580 or the unlawful use of shellfish gear for personal use under RCW 77.15.382.

(e) Seaweed: Taking or possessing less than two times the daily possession limit of seaweed:

(i) While owning, but not having in the person's possession, the license required by chapter 77.32 RCW; or

(ii) In violation of any rule of the department or the department of natural resources regarding seasons, closed areas, closed times, or any other rule addressing the manner or method of taking or possessing seaweed.

(f) Unclassified fish or shellfish: Fishing for or taking unclassified fish or shellfish in violation of this title or department rule.

(g) Wasting fish or shellfish: Taking or possessing food fish, game fish, or shellfish having a value of less than two hundred fifty dollars and recklessly allowing the fish or shellfish to be wasted.

(2) Hunting infractions:

(a) Eggs or nests: Maliciously, and without permit authorization, destroying, taking, or harming the eggs or active nests of a wild bird or wild animal not classified as endangered or protected. For purposes of this subsection, "active nests" means nests that are attended by an adult or contain eggs or young.

(b) Unclassified wildlife: Hunting for, harassing, or taking unclassified wildlife in violation of this title or department rule.

(c) Wasting wildlife: Taking or possessing wildlife classified as game birds and having a value of less than two hundred fifty dollars, and recklessly allowing the game birds to be wasted.

(d) Wild animals: Hunting for wild animals not classified as big game or threatened or endangered and, without yet possessing the wild animals, the person owns, but fails to have in the person's possession, all licenses, tags, or permits required by this title.

(e) Wild birds: Hunting for and, without yet possessing a wild bird or birds, the person:

(i) Owns, but fails to have in the person's possession, all licenses, tags, stamps, and permits required under this title; or

(ii) Violates any department rule regarding seasons, closed areas, closed times, or any other rule addressing the manner or method of hunting wild birds.

(3) Trapping, taxidermy, fur dealing, wildlife meat cutting, and wildlife rehabilitator infractions:

(a) Recordkeeping and reporting: If a person is a taxidermist, fur dealer, or wildlife meat cutter who is processing, holding, or storing wildlife for commercial purposes, failing to:

(i) Maintain records as required by department rule; or

(ii) Report information from these records as required by department rule.

(c) Wildlife rehabilitator's recordkeeping and reporting: If a person is a primary permittee or a subpermittee on a wildlife rehabilitation permit issued by the department, failing to:

(i) Maintain records as required by department rule; or

(ii) Report information from these records as required by department rule.

(4)(a) Invasive species management infractions:

(i) Out-of-state certification: Entering Washington in possession of an aquatic conveyance that does not meet certificate of inspection requirements as provided under RCW 77.135.100;

(ii) Clean and drain requirements: Possessing an aquatic conveyance that does not meet clean and drain requirements under RCW 77.135.110;

(iii) Clean and drain orders: Possessing an aquatic conveyance and failing to obey a clean and drain order under RCW 77.135.110 or 77.135.120; and

(iv) ((Transporting aquatic plants: Transporting aquatic plants on any state or public road, including forest roads. However, this subsection does not apply to plants that are:

(A) Being transported to the department or to another destination designated by the director, in a manner designated by the department, for purposes of identifying a species or reporting the presence of a species;

(B) Legally obtained for aquarium use, wetland or lakeshore restoration, or ornamental purposes;

(C) Located within or on a commercial aquatic plant harvester that is being transported to a suitable location to remove aquatic plants;

(D) Being transported in a manner that prevents their unintentional dispersal, to a suitable location for disposal, research, or educational purposes; or

(E) Being transported in such a way as the commission may otherwise preseribe)) Aquatic invasive species prevention permit requirements: Failing to possess a valid aquatic invasive species prevention permit as required under sections 201, 202, or 203 of this act.

(b) Unless the context clearly requires otherwise, the definitions in both RCW 77.08.010 and 77.135.010 apply throughout this subsection (4).

(5) Other infractions:

(a) Contests: Unlawfully conducting, holding, or sponsoring a hunting contest, a fishing contest involving game fish, or a competitive field trial using live wildlife.

(b) Other rules: Violating any other department rule that is designated by rule as an infraction.

(c) Posting signs: Posting signs preventing hunting or fishing on any land not owned or leased by the person doing the posting, or without the permission of the person who owns, leases, or controls the land posted.

(d) Scientific permits: Using a scientific permit issued by the director for fish, shellfish, or wildlife, but not including big game or big game parts, and the person:

(i) Violates any terms or conditions of the scientific permit; or

(ii) Violates any department rule applicable to the issuance or use of scientific permits.

Sec. 304. RCW 77.120.070 and 2007 c 350 s 12 are each amended to read as follows:

(1) The department may establish by rule schedules for any penalty allowed in this chapter. The schedules may provide for the incremental assessment of a penalty based on criteria established by rule.

(2) The director or the director's designee may impose a civil penalty or warning for a violation of the requirements of this chapter on the owner or operator in charge of a vessel who fails to comply with the requirements imposed under ((RCW 77.120.030 and 77.120.040)) this chapter. The penalty shall not exceed twenty-seven thousand five hundred dollars for each day of a continuing violation. In determining the amount of a civil penalty, the department shall set standards by rule that consider if the violation was intentional, negligent, or without any fault, and shall consider the quality and nature of risks created by the violation. The owner or operator subject to such a penalty may contest the determination by requesting an adjudicative proceeding within twenty days. Any determination not timely contested is final and may be reduced to a judgment enforceable in any court with jurisdiction. If the department shall also be awarded its costs and reasonable attorneys' fees.

(3) The department, in cooperation with the United States coast guard, may enforce the requirements of this chapter.

**Sec. 305.** RCW 77.135.010 and 2014 c 202 s 102 are each reenacted and amended to read as follows:

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

(1) "Aquatic conveyance" means transportable personal property having the potential to move an aquatic invasive species from one aquatic environment to another. Aquatic conveyances include but are not limited to ((watereraft)) vessels and associated equipment, float planes, construction equipment, fish tanker trucks, hydroelectric and irrigation equipment, personal fishing and hunting gear, and materials used for aquatic habitat mitigation or restoration.

(2) "Aquatic invasive species" means an invasive species of the animal kingdom with a life cycle that is at least partly dependent upon fresh, brackish, or marine waters. Examples include nutria, waterfowl, amphibians, fish, and shellfish.

(3) "Aquatic plant" means a native or nonnative emergent, submersed, partially submersed, free-floating, or floating-leaved plant species that is dependent upon fresh, brackish, or marine water ecosystems and includes all stages of development and parts.

(4) "Certificate of inspection" means a department-approved document that declares, to the extent technically or measurably possible, that an aquatic conveyance does not carry or contain an invasive species. Certification may be in the form of a decal, label, rubber stamp imprint, tag, permit, locking seal, or written statement.

(5) "Clean and drain" means to remove the following from areas on or within an aquatic conveyance to the extent technically and measurably possible:

(a) Visible native and nonnative aquatic animals, plants, or other organisms; and

(b) Raw water.

(6) "Commercial ((<del>watercraft</del>)) <u>vessel</u>" means a management category of aquatic conveyances:

(a) Required to have valid marine documentation as a vessel of the United States or similar required documentation for a country other than the United States; and

(b) Not subject to ((watercraft)) vessel registration requirements under chapter 88.02 RCW or ballast water requirements under chapter 77.120 RCW.

(7) "Cryptogenic species" means a species that scientists cannot commonly agree are native or nonnative or are part of the animal kingdom.

(8) "Decontaminate" means, to the extent technically and measurably possible, the application of a treatment to kill, destroy, remove, or otherwise eliminate all known or suspected invasive species carried on or contained within an aquatic conveyance or structural property by use of physical, chemical, or other methods. Decontamination treatments may include drying an aquatic conveyance for a time sufficient to kill aquatic invasive species through desiccation.

(9) "Detect" means the verification of invasive species' presence as defined by the department.

(10) "Eradicate" means, to the extent technically and measurably possible, to kill, destroy, remove, or otherwise eliminate an invasive species from a water body or property using physical, chemical, or other methods.

(11) "Infested site management" means management actions as provided under RCW 77.135.070 that may include long-term actions to contain, control, or eradicate a prohibited species.

(12) "Introduce" means to intentionally or unintentionally release, place, or allow the escape, dissemination, or establishment of an invasive species on or into a water body or property as a result of human activity or a failure to act.

(13) "Invasive species" means nonnative species of the animal kingdom that are not naturally occurring in Washington for purposes of breeding, resting, or foraging, and that pose an invasive risk of harming or threatening the state's environmental, economic, or human resources. Invasive species include all stages of species development and body parts. They may also include genetically modified or cryptogenic species.

(14) "Invasive species council" means the Washington invasive species council established in RCW 79A.25.310 or a similar collaborative state agency forum. The term includes the council and all of its officers, employees, agents, and contractors.

(15) "Mandatory check station" means a location where a person transporting an aquatic conveyance must stop and allow the conveyance to be inspected for aquatic invasive species.

(16) "Possess" means to have authority over the use of an invasive species or use of an aquatic conveyance that may carry or contain an invasive species. For the purposes of this subsection, "authority over" includes the ability to intentionally or unintentionally hold, import, export, transport, purchase, sell, barter, distribute, or propagate an invasive species.

(17) "Prohibited species" means a classification category of nonnative species as provided in RCW 77.135.030.

(18) "Property" means both real and personal property.

(19) "Quarantine declaration" means a management action as provided under RCW 77.135.050 involving the prohibition or conditioning of the movement of aquatic conveyances and waters from a place or an area that is likely to contain a prohibited species.

(20) "Rapid response" means expedited management actions as provided under RCW 77.135.060 triggered when invasive species are detected, for the time-sensitive purpose of containing or eradicating the species before it spreads or becomes further established.

(21) "Raw water" means water from a water body and held on or within property. "Raw water" does not include water from precipitation that is captured in a conveyance, structure, or depression that is not otherwise intended to function as a water body, or water from a potable water supply system, unless the water contains visible aquatic organisms.

(22) "Registered ((watercraft)) vessel" means a management category of aquatic conveyances required to register as vessels under RCW 88.02.550 or similar requirements for a state other than Washington or a country other than the United States.

(23) "Regulated species" means a classification category of nonnative species as provided in RCW 77.135.030.

(24) "Seaplane" means a management category of aquatic conveyances capable of landing on or taking off from water and required to register as an aircraft under RCW 47.68.250 or similar registration in a state other than Washington or a country other than the United States.

(25) "Small ((watercraft)) vessel" means a management category of aquatic conveyances including every description of vessel on the water used or capable of being used as a means of transportation on the water, except:

(a) ((Including inflatable and hard-shell watercraft used or capable of being used as a means of transportation on the water, such as kayaks, canoes, sailboats, and rafts that:

(i) Do not meet watercraft registration requirements under chapter 88.02 RCW; and

(ii) Are ten feet or more in length with or without mechanical propulsion or less than ten feet in length and fitted with mechanical propulsion.

(b) Excluding nonmotorized aquatic conveyances of any size not designed or modified to be used as a means of transportation on the water, such as inflatable air mattresses and tubes, beach and water toys, surf boards, and paddle boards)) Inner tubes, air mattresses, sailboards, and small rafts or flotation devices or toys customarily used by swimmers:

(b) Vessels meeting registration requirements under chapter 88.02 RCW; and

(c) Seaplanes.

(26) "Water body" means an area that carries or contains a collection of water, regardless of whether the feature carrying or containing the water is natural or nonnatural. Examples include basins, bays, coves, streams, rivers, springs, lakes, wetlands, reservoirs, ponds, tanks, irrigation canals, and ditches.

Sec. 306. RCW 77.135.160 and 2014 c 202 s 118 are each amended to read as follows:

(1) The department may authorize representatives to operate its inspection and decontamination stations and mandatory check stations. Departmentauthorized representatives may be department volunteers, other law enforcement agencies, or independent businesses.

(2) The department must adopt rules governing the types of services that department-authorized representatives may perform under this chapter.

(3) Department-authorized representatives must have official identification, training, and administrative capacity to fulfill their responsibilities under this section.

(4) ((Within two years of June 12, 2014,)) By December 1, 2018, the department must provide the legislature with recommendations for a fee schedule that department-authorized representatives may charge users whose aquatic conveyances receive inspection and decontamination services.

Sec. 307. RCW 77.120.010 and 2007 c 350 s 8 are each amended to read as follows:

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

(1) "Ballast tank" means any tank or hold on a vessel used for carrying ballast water, whether or not the tank or hold was designed for that purpose.

(2) "Ballast water" means any water and matter taken on board a vessel to control or maintain trim, draft, stability, or stresses of the vessel, without regard to the manner in which it is carried.

(3) "Empty/refill exchange" means to pump out, until the tank is empty or as close to empty as the master or operator determines is safe, the ballast water taken on in ports, estuarine, or territorial waters, and then refilling the tank with open sea waters.

(4) "Exchange" means to replace the water in a ballast tank using either flow through exchange, empty/refill exchange, or other exchange methodology recommended or required by the United States coast guard.

(5) "Flow through exchange" means to flush out ballast water by pumping in midocean water at the bottom of the tank and continuously overflowing the tank from the top until three full volumes of water have been changed to minimize the number of original organisms remaining in the tank.

(6) "Nonindigenous species" means any species or other viable biological material that enters an ecosystem beyond its natural range.

(7) "Open sea exchange" means an exchange that occurs fifty or more nautical miles offshore. If the United States coast guard requires a vessel to conduct an exchange further offshore, then that distance is the required distance for purposes of compliance with this chapter.

(8) "Recognized marine trade association" means those trade associations in Washington state that promote improved ballast water management practices by educating their members on the provisions of this chapter, participating in regional ballast water coordination through the Pacific ballast water group, assisting the department in the collection of ballast water exchange forms, and the monitoring of ballast water. This includes members of the Puget Sound marine committee for Puget Sound and the Columbia river steamship operators association for the Columbia river.

(9) "Sediments" means any matter settled out of ballast water within a vessel.

(10) "Untreated ballast water" includes exchanged or unexchanged ballast water that has not undergone treatment.

(11) "Vessel" means a ship, boat, barge, or other floating craft of three hundred gross tons or more, United States and foreign, carrying, or capable of carrying, ballast water into the coastal waters of the state after operating outside of the coastal waters of the state, except those vessels described in RCW 77.120.020.

(12) "Voyage" means any transit by a vessel destined for any Washington port.

(13) "Waters of the state" means any surface waters, including internal waters contiguous to state shorelines within the boundaries of the state.

(14) "Biofouling" means the accumulation of aquatic organisms on a vessel such as attached or associated mobile microorganisms, plants, and animals on surfaces and structures immersed in or exposed to the aquatic environment.

Sec. 308. RCW 77.135.110 and 2014 c 202 s 113 are each amended to read as follows:

(1) A person in possession of an aquatic conveyance must meet clean and drain requirements after the conveyance's use in or on a water body or property. A certificate of inspection is not needed to meet clean and drain requirements.

(2) A fish and wildlife officer or ex officio fish and wildlife officer may order a person transporting an aquatic conveyance not meeting clean and drain requirements to:

(a) Clean and drain the conveyance at the discovery site, if the department determines there are sufficient resources available; or

(b) Transport the conveyance to a reasonably close location where resources are sufficient to meet the clean and drain requirements.

(3) This section may be enforced immediately on the transportation of aquatic plants by registered ((watercraft)) vessels, small ((watercraft)) vessels, seaplanes, and commercial ((watercraft)) vessels. The department must adopt rules to implement all other aspects of clean and drain requirements, including:

(a) Other types of aquatic conveyances subject to this requirement;

(b) When transport of an aquatic conveyance is authorized if clean and drain services are not readily available at the last water body used; and

(c) Exemptions to clean and drain requirements where the department determines there is minimal risk of spreading invasive species.

Sec. 309. RCW 77.135.120 and 2014 c 202 s 114 are each amended to read as follows:

(1) The department may establish mandatory check stations to inspect aquatic conveyances for clean and drain requirements and aquatic invasive species. The check stations must be operated by at least one fish and wildlife officer, an ex officio fish and wildlife officer in coordination with the department, or department-authorized representative, and must be plainly marked by signs and operated in a safe manner.

(2) Aquatic conveyances required to stop at mandatory check stations include registered ((watercraft)) vessels, commercial ((watercraft)) vessels, and small ((watercraft)) vessels. The department may establish rules governing other types of aquatic conveyances that must stop at mandatory check stations. The rules must provide sufficient guidance so that a person transporting the aquatic conveyance readily understands that he or she is required to stop.

(3) A person who encounters a mandatory check station while transporting an aquatic conveyance must:

(a) Stop at the mandatory check station;

(b) Allow the aquatic conveyance to be inspected for clean and drain requirements and aquatic invasive species;

(c) Follow clean and drain orders if clean and drain requirements are not met pursuant to RCW 77.135.110; and

(d) Follow decontamination orders pursuant to RCW 77.135.130 if an aquatic invasive species is found.

(4) A person who complies with the department directives under this section is exempt from criminal penalties under RCW 77.15.809 and 77.15.811, civil penalties under RCW 77.15.160(4), and civil forfeiture under RCW 77.15.070, unless the person has a prior conviction for an invasive species violation within the past five years.

NEW SECTION. Sec. 310. Section 103 of this act expires July 1, 2019.

<u>NEW SECTION.</u> Sec. 311. Section 104 of this act takes effect July 1, 2019.

Passed by the Senate June 29, 2017.

Passed by the House June 29, 2017.

Approved by the Governor July 6, 2017.

Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 18**

[Third Engrossed Senate Bill 5517]

GROWN MANAGEMENT ACT--FREIGHT RAIL DEPENDENT USES

AN ACT Relating to rail dependent uses for purposes of the growth management act and related development regulations; amending RCW 36.70A.030, 36.70A.060, 36.70A.070, and 36.70A.108; and creating a new section.

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

NEW SECTION. Sec. 1. The legislature recognizes that it enacted the rail preservation program because railroads provide benefits to state and local jurisdictions that are valuable to economic development, highway safety, and the environment. The Washington state freight mobility plan includes the goal of supporting rural economies farm-to-market, manufacturing, and resource industry sectors. The plan makes clear that ensuring the availability of rail capacity is vital to meeting the future needs of the Puget Sound region. Railserved industrial sites are a necessary part of a thriving freight mobility system, and are a key means of assuring that food and goods from rural areas are able to make it to people living in urban areas and international markets. Planned and effective access to railroad services is a pivotal aspect of transportation planning. The legislature affirms that it is in the public interest to allow economic development infrastructure to occur near rail lines as a means to alleviate strains on government infrastructure elsewhere. Therefore, the legislature finds that there is a need for counties and cities to improve their planning under the growth management act to provide much needed infrastructure for freight rail dependent uses adjacent to railroad lines.

## WASHINGTON LAWS, 2017

Sec. 2. RCW 36.70A.030 and 2012 c 21 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) "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.

(2) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.

(3) "City" means any city or town, including a code city.

(4) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.

(5) "Critical areas" include the following areas and ecosystems: (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery systems, irrigation infrastructure, irrigation canals, or drainage ditches that lie within the boundaries of and are maintained by a port district or an irrigation district or company.

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

(7) "Development regulations" or "regulation" means the controls placed on development or land use activities by a county or city, including, but not limited to, zoning ordinances, critical areas ordinances, shoreline master programs, official controls, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances together with any amendments thereto. A development regulation does not include a decision to approve a project permit application, as defined in RCW 36.70B.020, even though the decision may be expressed in a resolution or ordinance of the legislative body of the county or city.

(8) "Forest land" means land primarily devoted to growing trees for longterm commercial timber production on land that can be economically and practically managed for such production, including Christmas trees subject to the excise tax imposed under RCW 84.33.100 through 84.33.140, and that has long-term commercial significance. In determining whether forest land is primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for such production, the following factors shall be considered: (a) The proximity of the land to urban, suburban, and rural settlements; (b) surrounding parcel size and the compatibility and intensity of adjacent and nearby land uses; (c) long-term local economic conditions that affect the ability to manage for timber production; and (d) the availability of public facilities and services conducive to conversion of forest land to other uses. (9) <u>"Freight rail dependent uses" means buildings and other infrastructure</u> that are used in the fabrication, processing, storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are both urban and rural development for purposes of this chapter. "Freight rail dependent uses" does not include buildings and other infrastructure that are used in the fabrication, processing, storage, and transport of coal, liquefied natural gas, or "crude oil" as defined in RCW 90.56.010.

(10) "Geologically hazardous areas" means areas that because of their susceptibility to erosion, sliding, earthquake, or other geological events, are not suited to the siting of commercial, residential, or industrial development consistent with public health or safety concerns.

(((10))) (11) "Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.

(((+1+))) (12) "Minerals" include gravel, sand, and valuable metallic substances.

(((12))) (13) "Public facilities" include streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, domestic water systems, storm and sanitary sewer systems, parks and recreational facilities, and schools.

(((13))) (14) "Public services" include fire protection and suppression, law enforcement, public health, education, recreation, environmental protection, and other governmental services.

(((14))) (15) "Recreational land" means land so designated under RCW 36.70A.1701 and that, immediately prior to this designation, was designated as agricultural land of long-term commercial significance under RCW 36.70A.170. Recreational land must have playing fields and supporting facilities existing before July 1, 2004, for sports played on grass playing fields.

(((15))) (16) "Rural character" refers to the patterns of land use and development established by a county in the rural element of its comprehensive plan:

(a) In which open space, the natural landscape, and vegetation predominate over the built environment;

(b) That foster traditional rural lifestyles, rural-based economies, and opportunities to both live and work in rural areas;

(c) That provide visual landscapes that are traditionally found in rural areas and communities;

(d) That are compatible with the use of the land by wildlife and for fish and wildlife habitat;

(e) That reduce the inappropriate conversion of undeveloped land into sprawling, low-density development;

(f) That generally do not require the extension of urban governmental services; and

(g) That are consistent with the protection of natural surface water flows and groundwater and surface water recharge and discharge areas.

(((16))) (17) "Rural development" refers to development outside the urban growth area and outside agricultural, forest, and mineral resource lands designated pursuant to RCW 36.70A.170. Rural development can consist of a variety of uses and residential densities, including clustered residential

development, at levels that are consistent with the preservation of rural character and the requirements of the rural element. Rural development does not refer to agriculture or forestry activities that may be conducted in rural areas.

(((17))) (18) "Rural governmental services" or "rural services" include those public services and public facilities historically and typically delivered at an intensity usually found in rural areas, and may include domestic water systems, fire and police protection services, transportation and public transit services, and other public utilities associated with rural development and normally not associated with urban areas. Rural services do not include storm or sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

(((18))) (19) "Short line railroad" means those railroad lines designated Class II or Class III by the United States surface transportation board.

(20) "Urban governmental services" or "urban services" include those public services and public facilities at an intensity historically and typically provided in cities, specifically including storm and sanitary sewer systems, domestic water systems, street cleaning services, fire and police protection services, public transit services, and other public utilities associated with urban areas and normally not associated with rural areas.

(((19))) (21) "Urban growth" refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources, rural uses, rural development, and natural resource lands designated pursuant to RCW 36.70A.170. A pattern of more intensive rural development, as provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land having urban growth located on it, or to land located in relationship to an area with urban growth on it as to be appropriate for urban growth.

(((20))) (22) "Urban growth areas" means those areas designated by a county pursuant to RCW 36.70A.110.

(((21))) (23) "Wetland" or "wetlands" means areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands do not include those artificial wetlands intentionally created from nonwetland sites, including, but not limited to, irrigation and drainage ditches, grass-lined swales, canals, detention facilities, wastewater treatment facilities, farm ponds, and landscape amenities, or those wetlands created after July 1, 1990, that were unintentionally created as a result of the construction of a road, street, or highway. Wetlands may include those artificial wetlands intentionally created from nonwetland areas created to mitigate conversion of wetlands.

**Sec. 3.** RCW 36.70A.060 and 2014 c 147 s 2 are each amended to read as follows:

(1)(a) Each county that is required or chooses to plan under RCW 36.70A.040, and each city within such county, shall adopt development regulations on or before September 1, 1991, to assure the conservation of agricultural, forest, and mineral resource lands designated under RCW

36.70A.170. Regulations adopted under this subsection may not prohibit uses legally existing on any parcel prior to their adoption and shall remain in effect until the county or city adopts development regulations pursuant to RCW 36.70A.040. Such regulations shall assure that the use of lands adjacent to agricultural, forest, or mineral resource lands shall not interfere with the continued use, in the accustomed manner and in accordance with best management practices, of these designated lands for the production of food, agricultural products, or timber, or for the extraction of minerals. <u>Any county located to the west of the crest of the Cascade mountains that has both a population of at least four hundred thousand and a border that touches another state, and any city in such county, may adopt development regulations to assure that agriculture, forest, and mineral resource lands adjacent to short line railroads may be developed for freight rail dependent uses.</u>

(b) Counties and cities shall require that all plats, short plats, development permits, and building permits issued for development activities on, or within five hundred feet of, lands designated as agricultural lands, forest lands, or mineral resource lands, contain a notice that the subject property is within or near designated agricultural lands, forest lands, or mineral resource lands on which a variety of commercial activities may occur that are not compatible with residential development for certain periods of limited duration. The notice for mineral resource lands shall also inform that an application might be made for mining-related activities, including mining, extraction, washing, crushing, stockpiling, blasting, transporting, and recycling of minerals.

(c) Each county that adopts a resolution of partial planning under RCW 36.70A.040(2)(b), and each city within such county, shall adopt development regulations within one year after the adoption of the resolution of partial planning to assure the conservation of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170. Regulations adopted under this subsection (1)(c) must comply with the requirements governing regulations adopted under (a) of this subsection.

(d)(i) A county that adopts a resolution of partial planning under RCW 36.70A.040(2)(b) and that is not in compliance with the planning requirements of this section, RCW 36.70A.040(4), 36.70A.070(5), 36.70A.170, and 36.70A.172 at the time the resolution is adopted must, by January 30, 2017, apply for a determination of compliance from the department finding that the county's development regulations, including development regulations adopted to protect critical areas, and comprehensive plans are in compliance with the requirements of this section, RCW 36.70A.040(4), 36.70A.070(5), 36.70A.170, and 36.70A.172. The department must approve or deny the application for a determination of compliance within one hundred twenty days of its receipt or by June 30, 2017, whichever date is earlier.

(ii) If the department denies an application under (d)(i) of this subsection, the county and each city within is obligated to comply with all requirements of this chapter and the resolution for partial planning adopted under RCW 36.70A.040(2)(b) is no longer in effect.

(iii) A petition for review of a determination of compliance under (d)(i) of this subsection may only be appealed to the growth management hearings board within sixty days of the issuance of the decision by the department.

(iv) In the event of a filing of a petition in accordance with (d)(iii) of this subsection, the county and the department must equally share the costs incurred by the department for defending an approval of determination of compliance that is before the growth management hearings board.

(v) The department may implement this subsection  $((\frac{(+1)}{2}))(1)(d)$  by adopting rules related to determinations of compliance. The rules may address, but are not limited to: The requirements for applications for a determination of compliance; charging of costs under (d)(iv) of this subsection; procedures for processing applications; criteria for the evaluation of applications; issuance and notice of department decisions; and applicable timelines.

(e) Any county that borders both the Cascade mountains and another country and has a population of less than fifty thousand people, and any city in such county, may adopt development regulations to assure that agriculture, forest, and mineral resource lands adjacent to short line railroads may be developed for freight rail dependent uses.

(2) Each county and city shall adopt development regulations that protect critical areas that are required to be designated under RCW 36.70A.170. For counties and cities that are required or choose to plan under RCW 36.70A.040, such development regulations shall be adopted on or before September 1, 1991. For the remainder of the counties and cities, such development regulations shall be adopted on or before March 1, 1992.

(3) Such counties and cities shall review these designations and development regulations when adopting their comprehensive plans under RCW 36.70A.040 and implementing development regulations under RCW 36.70A.120 and may alter such designations and development regulations to insure consistency.

(4) Forest land and agricultural land located within urban growth areas shall not be designated by a county or city as forest land or agricultural land of long-term commercial significance under RCW 36.70A.170 unless the city or county has enacted a program authorizing transfer or purchase of development rights.

**Sec. 4.** RCW 36.70A.070 and 2017 c 331 s 2 are each amended to read as follows:

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140. Each comprehensive plan shall include a plan, scheme, or design for each of the following:

(1) A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound.

(2) A housing element ensuring the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences; (c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and projected needs of all economic segments of the community.

(3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.

(4) A utilities element consisting of the general location, proposed location, and capacity of all existing and proposed utilities, including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.

(5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:

(a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.

(b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character.

(c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:

(i) Containing or otherwise controlling rural development;

(ii) Assuring visual compatibility of rural development with the surrounding rural area;

(iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;

(iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources; and

(v) Protecting against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.

(d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:

(i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.

(A) A commercial, industrial, residential, shoreline, or mixed-use area are subject to the requirements of (d)(iv) of this subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.

(B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.

(C) Any development or redevelopment in terms of building size, scale, use, or intensity shall be consistent with the character of the existing areas. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5);

(ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;

(iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government according to RCW 36.70A.030(((15))) (16). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to RCW 36.70A.030(((15))) (16).

Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl;

(iv) A county shall adopt measures to minimize and contain the existing areas or uses of more intensive rural development, as appropriate, authorized under this subsection. Lands included in such existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary, the county shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries, such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;

(v) For purposes of (d) of this subsection, an existing area or existing use is one that was in existence:

(A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;

(B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions of this chapter under RCW 36.70A.040(2); or

(C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).

(e) Exception. This subsection shall not be interpreted to permit in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.

(6) A transportation element that implements, and is consistent with, the land use element.

(a) The transportation element shall include the following subelements:

(i) Land use assumptions used in estimating travel;

(ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of land-use decisions on state-owned transportation facilities;

(iii) Facilities and services needs, including:

(A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;

(B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated; (C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting level of service standards for state highways in the local comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, or transit program and the office of financial management's ten-year investment program. The concurrency requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection;

(D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;

(E) Forecasts of traffic for at least ten years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;

(F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;

(iv) Finance, including:

(A) An analysis of funding capability to judge needs against probable funding resources;

(B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ten-year investment program developed by the office of financial management as required by RCW 47.05.030;

(C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;

(v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;

(vi) Demand-management strategies;

(vii) Pedestrian and bicycle component to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.

(b) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made concurrent with the development. These strategies may include increased public transportation service, ride-sharing programs, demand management, and other transportation systems management strategies. For the purposes of this subsection (6), "concurrent with the development" means that improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years. If the collection of impact fees is delayed under RCW 82.02.050(3), the six-year period required by this subsection (6)(b) must begin after full payment of all impact fees is due to the county or city.

(c) The transportation element described in this subsection (6), the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ten-year investment program required by RCW 47.05.030 for the state, must be consistent.

(7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. ((The element may include the provisions in section 3 of this act.)) A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.

(8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.

(9) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.

Sec. 5. RCW 36.70A.108 and 2005 c 328 s 1 are each amended to read as follows:

(1) The transportation element required by RCW 36.70A.070 may include, in addition to improvements or strategies to accommodate the impacts of development authorized under RCW 36.70A.070(6)(b), multimodal transportation improvements or strategies that are made concurrent with the development. These transportation improvements or strategies may include, but are not limited to, measures implementing or evaluating:

(a) Multiple modes of transportation with peak and nonpeak hour capacity performance standards for locally owned transportation facilities; and

(b) Modal performance standards meeting the peak and nonpeak hour capacity performance standards.

(2) Any county located to the west of the crest of the Cascade mountains that has both a population of at least four hundred thousand and a border that touches another state, and any city in such county, may include development of freight rail dependent uses on land adjacent to a short line railroad in the transportation element required by RCW 36.70A.070. Such counties and cities may also modify development regulations to include development of freight rail dependent uses that do not require urban governmental services in rural lands.

(3) Nothing in this section or RCW 36.70A.070(6)(b) shall be construed as prohibiting a county or city planning under RCW 36.70A.040 from exercising existing authority to develop multimodal improvements or strategies to satisfy the concurrency requirements of this chapter.

(((3))) (4) Nothing in this section is intended to affect or otherwise modify the authority of jurisdictions planning under RCW 36.70A.040.

Passed by the Senate June 27, 2017.

Passed by the House June 29, 2017.

Approved by the Governor July 6, 2017.

Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 19**

[Engrossed Senate Bill 5646]

RESIDENTIAL HABILITATION CENTERS--YAKIMA VALLEY SCHOOL--RESPITE CARE

AN ACT Relating to services provided by residential habilitation centers; and amending RCW 71A.20.180.

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

Sec. 1. RCW 71A.20.180 and 2011 1st sp.s. c 30 s 6 are each amended to read as follows:

(((1) By December 31, 2011, the department shall:

(a) Close Frances Haddon Morgan residential rehabilitation center and relocate current residents consistent with the requirements of section 7 of this act; and

(b) Establish at least two state operating living alternatives on the campus of the Frances Haddon Morgan center, if residents have chosen to receive care in such a setting and subject to federal requirements related to the receipt of federal medicaid matching funds.

(2)(a) Upon August 24, 2011, the department shall not permit any new admission to Yakima Valley School unless such admission is limited to the provision of short term respite or crisis stabilization services. Except as provided in (b) of this subsection, no current permanent resident of Yakima Valley School shall be required or compelled to relocate to a different care setting as a result of chapter 30, Laws of 2011 1st sp. sess.

(b))) (1)(a) The Yakima Valley School shall continue to operate as a residential habilitation center until such time that the census of permanent residents has reached ((sixteen)) eight persons. ((As part of the closure plan, at least two cottages will be converted to state-operated living alternatives, subject to federal requirements related to the receipt of federal medicaid matching funds)) Upon such time as the facility closes to full residential care, the facility must thereafter operate crisis stabilization beds and only so many respite service beds as the needs of the department-identified catchment area or as emergency placement needs require, subject to the availability of amounts appropriated for this specific purpose.

(b) As of the effective date of this section, no new long-term admissions are permitted.

 $(((3) \text{ To assure the successful implementation of subsections (1) and (2) of this section,))$  (2) The department, within available funds:

(a) Shall establish state-operated living alternatives, within funds specifically provided in the omnibus appropriations act, to provide community residential services to residential habilitation center residents transitioning to the community under chapter 30, Laws of 2011 1st sp. sess. who prefer a state-operated living alternative. The department shall offer residential habilitation center employees opportunities to work in state-operated living alternatives as they are established;

(b) May use existing supported living program capacity in the community for former residential habilitation center residents who prefer and choose a supported living program;

(c) ((Shall continue to staff and operate at Yakima Valley School crisis stabilization beds and respite service beds at the existing bed capacity as of June 1, 2011, for individuals with developmental disabilities requiring such services;

(d))) Shall establish up to eight state-staffed crisis stabilization beds and up to eight state-staffed respite beds based upon funding provided in the <u>omnibus</u> appropriations act and the geographic areas with the greatest need for those services; ((and

(e))) (d) Shall establish regional or mobile specialty services evenly distributed throughout the state, such as dental care, physical therapy, occupational therapy, and specialized nursing care, which can be made available to former residents of residential habilitation centers and, within available funds, other individuals with developmental disabilities residing in the community; and

(e) Shall continue to provide respite services in residential habilitation centers and continue to develop respite care in the community.

Passed by the Senate June 27, 2017. Passed by the House June 29, 2017. Approved by the Governor July 6, 2017. Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 20**

[Second Engrossed Substitute Senate Bill 5890] FOSTER CARE AND ADOPTION--SUPPORT

AN ACT Relating to child welfare, foster care, and adoption support; amending RCW 74.13.270, 74.13.031, 74.13A.025, 74.13A.030, 74.13A.047, 28B.118.010, and 26.44.030; reenacting and amending RCW 43.43.832; adding a new section to chapter 74.15 RCW; adding a new section to chapter 41.04 RCW; adding a new section to chapter 41.04 RCW; adding a new section to chapter 43.06 RCW; adding a new section to chapter 74.13 RCW; reeating new sections; repealing RCW 74.13.107, 74.12.037, 43.131.415, and 43.131.416; making appropriations; providing effective dates; providing contingent effective dates; providing expiration dates; and declaring an emergency.

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

Sec. 1. RCW 74.13.270 and 1990 c 284 s 8 are each amended to read as follows:

(1) The legislature recognizes the need for temporary short-term relief for foster parents who care for children with emotional, mental, or physical handicaps. For purposes of this section, respite care means appropriate,

temporary, short-term care for these foster children placed with licensed foster parents. The purpose of this care is to give the foster parents temporary relief from the stresses associated with the care of these foster children. The department shall design a program of respite care that will minimize disruptions to the child and will serve foster parents within these priorities, based on input from foster parents, foster parent associations, and reliable research if available.

(2)(a) For the purposes of this section, and subject to funding appropriated specifically for this purpose, short-term support shall include case aides who provide temporary assistance to foster parents as needed with the overall goal of supporting the parental efforts of the foster parents except that this assistance shall not include overnight assistance. The department shall contract with nonprofit community-based organizations in each region to establish a statewide pool of individuals to provide the support described in this subsection. These individuals shall be hired by the nonprofit community-based organization and shall have the appropriate training, background checks, and qualifications as determined by the department. Short-term support as described in this subsection shall be available to all licensed foster parents in the state as funding is available and shall be phased in by geographic region. To obtain the assistance of a case aide for this purpose, the foster parent may request the services from the nonprofit community-based organization and the nonprofit community-based organization may offer assistance to licensed foster families. If the requests for the short-term support provided in this subsection exceed the funding available. the nonprofit community-based organization shall have discretion to determine the assignment of case aides. The nonprofit community-based organization shall report all short-term support provided under this subsection to the department.

(b) Subject to funding appropriated specifically for this purpose, the Washington state institute for public policy shall prepare an outcome evaluation of the short-term support described in this subsection. The evaluation will, to the maximum extent possible, assess the impact of the short-term support services described in this subsection on the retention of foster homes and the number of placements a foster child receives while in out-of-home care as well as the return on investment to the state. The institute shall submit a preliminary report to the appropriate committees of the legislature and the governor by December 1, 2018, that describes the initial implementation of these services and descriptive statistics of the families utilizing these services. A final report shall be submitted to the appropriate committees of the legislature by June 30, 2020. At no cost to the institute, the department shall provide all data necessary to discharge this duty.

(c) Costs associated with case aides as described in this subsection shall not be included in the forecast.

(d) Pursuant to RCW 41.06.142(3), performance-based contracting under (a) of this subsection is expressly mandated by the legislature and is not subject to the processes set forth in RCW 41.06.142 (1), (4), and (5).

<u>NEW SECTION.</u> Sec. 2. (1) No later than December 31, 2017, the department of social and health services, in consultation with stakeholders, including child placing agencies, foster parents, foster care advocates, and biological parents shall identify a system of support services to be provided to foster parents to assist foster parents in their parental efforts with foster children

and a plan to implement these support services statewide, which may include contracts with community-based organizations.

(2) For the purpose of this section, "support services" shall include, but shall not be limited to, counseling, educational assistance, respite care, and hands-on assistance for children with high-risk behaviors.

(3) The department of social and health services shall submit the final plan, which shall include estimated costs to implement these support services and recommendations for implementing these support services in a phased-in manner to the appropriate committees and the legislature no later than January 15, 2018.

(4) This section expires February 1, 2018.

<u>NEW SECTION.</u> Sec. 3. (1) No later than December 31, 2017, the office of innovation, alignment, and accountability, in consultation with stakeholders, including child placing agencies, foster parents, foster care advocates, and biological parents shall identify a system of support services to be provided to foster parents to assist foster parents in their parental efforts with foster children and a plan to implement these support services statewide, which may include contracts with community-based organizations.

(2) For the purpose of this section, "support services" shall include, but shall not be limited to, counseling, educational assistance, respite care, and hands-on assistance for children with high-risk behaviors.

(3) The office of innovation, alignment, and accountability shall submit the final plan, which shall include estimated costs to implement these support services and recommendations for implementing these support services in a phased-in manner to the appropriate committees of the legislature no later than January 15, 2018.

(4) This section expires February 1, 2018.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 74.15 RCW to read as follows:

(1) The department shall design and implement an expedited foster licensing process.

(2) The expedited foster licensing process described in this section shall be available to individuals who:

(a) Were licensed within the last five years;

(b) Were not the subject of an adverse licensing action or a voluntary relinquishment;

(c) Seek licensure for the same residence for which he or she was previously licensed provided that any changes to family constellation since the previous license is limited to individuals leaving the family constellation; and

(d) Apply to the same agency for which he or she was previously licensed, with the understanding that the agency must be agreeable to supervise the home.

(3) The department shall make every effort to ensure that individuals qualifying for and seeking an expedited license are able to become licensed within forty days of the department receiving his or her application.

(4) The department shall only issue a foster license pursuant to this section after receiving a completed fingerprint-based background check, and may delay issuance of an expedited license solely based on awaiting the results of a background check. (5) The department may issue a provisional expedited license pursuant to this section before completing a home study, but shall complete the home study as soon as possible after issuing a provisional expedited license.

(6) The department and its officers, agents, employees, and volunteers are not liable for injuries caused by the expedited foster licensing process.

**Sec. 5.** RCW 43.43.832 and 2012 c 44 s 2 and 2012 c 10 s 41 are each reenacted and 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 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 <u>provided that:</u> 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 are paid by the state or providers 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.

(3) The director of the department of early learning 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 director of the department of early learning 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.

(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 Washington personnel resources board shall adopt rules to accomplish the purposes of this subsection as it applies to state employees.

(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.

<u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 13.34 RCW to read as follows:

(1) Within the department's appropriations, the department shall ensure that a case review panel reviews cases involving dependent children where permanency is not achieved for children within eighteen months after being placed in out-of-home care.

(2) The case review panel shall be comprised of, at a minimum, a lead social services specialist and either the office of the family and children's ombuds or another external organization with child welfare experience.

(3) Beginning September 1, 2018, the panel shall review all cases where, after the effective date of this section, a dependent child reaches eighteen months in out-of-home placement and has not achieved permanency. This review must occur by the child's nineteenth month in out-of-home placement. At each case review, the panel must develop a plan of action, including recommended next steps for the department to take, to achieve permanency.

(4) The department is encouraged to convene the case review panel regularly to review other cases involving dependent children as needed to ensure

stability and permanency is achieved and length of stay for children in out-of-home placement is reduced.

Sec. 7. RCW 74.13.031 and 2015 c 240 s 3 are each amended to read as follows:

(1) The department and supervising agencies shall develop, administer, supervise, and monitor a coordinated and comprehensive plan that establishes, aids, and strengthens services for the protection and care of runaway, dependent, or neglected children.

(2) Within available resources, the department and supervising agencies shall recruit an adequate number of prospective adoptive and foster homes, both regular and specialized, i.e. homes for children of ethnic minority, including Indian homes for Indian children, sibling groups, handicapped and emotionally disturbed, teens, pregnant and parenting teens, and the department shall annually report to the governor and the legislature concerning the department's and supervising agency's success in: (a) Meeting the need for adoptive and foster home placements; (b) reducing the foster parent turnover rate; (c) completing home studies for legally free children; and (d) implementing and operating the passport program required by RCW 74.13.285. The report shall include a section entitled "Foster Home Turn-Over, Causes and Recommendations."

(3) The department shall investigate complaints of any recent act or failure to act on the part of a parent or caretaker that results in death, serious physical or emotional harm, or sexual abuse or exploitation, or that presents an imminent risk of serious harm, and on the basis of the findings of such investigation, offer child welfare services in relation to the problem to such parents, legal custodians, or persons serving in loco parentis, and/or bring the situation to the attention of an appropriate court, or another community agency. An investigation is not required of nonaccidental injuries which are clearly not the result of a lack of care or supervision by the child's parents, legal custodians, or persons serving in loco parentis. If the investigation reveals that a crime against a child may have been committed, the department shall notify the appropriate law enforcement agency.

(4) As provided in RCW 26.44.030(11), the department may respond to a report of child abuse or neglect by using the family assessment response.

(5) The department or supervising agencies shall offer, on a voluntary basis, family reconciliation services to families who are in conflict.

(6) The department or supervising agencies shall monitor placements of children in out-of-home care and in-home dependencies to assure the safety, well-being, and quality of care being provided is within the scope of the intent of the legislature as defined in RCW 74.13.010 and 74.15.010. Under this section children in out-of-home care and in-home dependencies and their caregivers shall receive a private and individual face-to-face visit each month. The department and the supervising agencies shall randomly select no less than ten percent of the caregivers currently providing care to receive one unannounced face-to-face visit in the caregiver's home per year. No caregiver will receive an unannounced visit through the random selection process for two consecutive years. If the caseworker makes a good faith effort to conduct the unannounced visit to a caregiver and is unable to do so, that month's visit to that caregiver need not be unannounced. The department and supervising agencies are encouraged to group monthly visits to caregivers by geographic area so that in

the event an unannounced visit cannot be completed, the caseworker may complete other required monthly visits. The department shall use a method of random selection that does not cause a fiscal impact to the department.

The department or supervising agencies shall conduct the monthly visits with children and caregivers to whom it is providing child welfare services.

(7) The department and supervising agencies shall have authority to accept custody of children from parents and to accept custody of children from juvenile courts, where authorized to do so under law, to provide child welfare services including placement for adoption, to provide for the routine and necessary medical, dental, and mental health care, or necessary emergency care of the children, and to provide for the physical care of such children and make payment of maintenance costs if needed. Except where required by Public Law 95-608 (25 U.S.C. Sec. 1915), no private adoption agency which receives children for adoption from the department shall discriminate on the basis of race, creed, or color when considering applications in their placement for adoption.

(8) The department and supervising agency shall have authority to provide temporary shelter to children who have run away from home and who are admitted to crisis residential centers.

(9) The department and supervising agency shall have authority to purchase care for children.

(10) The department shall establish a children's services advisory committee with sufficient members representing supervising agencies which shall assist the secretary in the development of a partnership plan for utilizing resources of the public and private sectors, and advise on all matters pertaining to child welfare, licensing of child care agencies, adoption, and services related thereto. At least one member shall represent the adoption community.

(11)(a) The department and supervising agencies shall provide continued extended foster care services to nonminor dependents who are:

(i) Enrolled in a secondary education program or a secondary education equivalency program;

(ii) Enrolled and participating in a postsecondary academic or postsecondary vocational education program;

(iii) Participating in a program or activity designed to promote employment or remove barriers to employment;

(iv) Engaged in employment for eighty hours or more per month; or

(v) Not able to engage in any of the activities described in (a)(i) through (iv) of this subsection due to a documented medical condition.

(b) To be eligible for extended foster care services, the nonminor dependent must have been dependent and in foster care at the time that he or she reached age eighteen years. If the dependency case of the nonminor dependent was dismissed pursuant to RCW 13.34.267, he or she may receive extended foster care services pursuant to a voluntary placement agreement under RCW 74.13.336 or pursuant to an order of dependency issued by the court under RCW 13.34.268. A nonminor dependent whose dependency case was dismissed by the court must have requested extended foster care services before reaching age nineteen years.

(c) The department shall develop and implement rules regarding youth eligibility requirements.

(d) The department shall make efforts to ensure that extended foster care services maximize medicaid reimbursements. This must include the department ensuring that health and mental health extended foster care providers participate in medicaid, unless the condition of the extended foster care youth requires specialty care that is not available among participating medicaid providers or there are no participating medicaid providers in the area. The department shall coordinate other services to maximize federal resources and the most cost-efficient delivery of services to extended foster care youth.

(12) The department shall have authority to provide adoption support benefits, or relative guardianship subsidies on behalf of youth ages eighteen to twenty-one years who achieved permanency through adoption or a relative guardianship at age sixteen or older and who meet the criteria described in subsection (11) of this section.

(13) The department shall refer cases to the division of child support whenever state or federal funds are expended for the care and maintenance of a child, including a child with a developmental disability who is placed as a result of an action under chapter 13.34 RCW, unless the department finds that there is good cause not to pursue collection of child support against the parent or parents of the child. Cases involving individuals age eighteen through twenty shall not be referred to the division of child support unless required by federal law.

(14) The department and supervising agencies shall have authority within funds appropriated for foster care services to purchase care for Indian children who are in the custody of a federally recognized Indian tribe or tribally licensed child-placing agency pursuant to parental consent, tribal court order, or state juvenile court order. The purchase of such care is exempt from the requirements of chapter 74.13B RCW and may be purchased from the federally recognized Indian tribe or tribally licensed child-placing agency, and shall be subject to the same eligibility standards and rates of support applicable to other children for whom the department purchases care.

Notwithstanding any other provision of RCW 13.32A.170 through 13.32A.200 ((and 74.13.032 through)). 43.185C.295, 74.13.035, and 74.13.036, or of this section all services to be provided by the department under subsections (4), (7), and (8) of this section, subject to the limitations of these subsections, may be provided by any program offering such services funded pursuant to Titles II and III of the federal juvenile justice and delinquency prevention act of 1974.

(15) Within amounts appropriated for this specific purpose, the supervising agency or department shall provide preventive services to families with children that prevent or shorten the duration of an out-of-home placement.

(16) The department and supervising agencies shall have authority to provide independent living services to youths, including individuals who have attained eighteen years of age, and have not attained twenty-one years of age who are or have been in foster care.

(17) The department and supervising agencies shall consult at least quarterly with foster parents, including members of the foster parent association of Washington state, for the purpose of receiving information and comment regarding how the department and supervising agencies are performing the duties and meeting the obligations specified in this section and RCW 74.13.250 and 74.13.320 regarding the recruitment of foster homes, reducing foster parent turnover rates, providing effective training for foster parents, and administering a coordinated and comprehensive plan that strengthens services for the protection of children. Consultation shall occur at the regional and statewide levels.

(18)(a) The department shall, within current funding levels, place on its public web site a document listing the duties and responsibilities the department has to a child subject to a dependency petition including, but not limited to, the following:

(i) Reasonable efforts, including the provision of services, toward reunification of the child with his or her family;

(ii) Sibling visits subject to the restrictions in RCW 13.34.136(2)(b)(ii);

(iii) Parent-child visits;

(iv) Statutory preference for placement with a relative or other suitable person, if appropriate; and

(v) Statutory preference for an out-of-home placement that allows the child to remain in the same school or school district, if practical and in the child's best interests.

(b) The document must be prepared in conjunction with a community-based organization and must be updated as needed.

(19) The department shall have the authority to purchase legal representation for parents of children who are at risk of being dependent, or who are dependent, to establish or modify a parenting plan under chapter 26.09 or 26.26 RCW, when it is necessary for the child's safety, permanence, or well-being. This subsection does not create an entitlement to legal representation purchased by the department and does not create judicial authority to order the department to purchase legal representation for a parent. Such determinations are solely within the department's discretion.

**Sec. 8.** RCW 74.13A.025 and 2013 c 23 s 210 are each amended to read as follows:

The factors to be considered by the secretary in setting the amount of any payment or payments to be made pursuant to RCW 26.33.320 and 74.13A.005 through 74.13A.080 and in adjusting standards hereunder shall include: The size of the family including the adoptive child, the usual living expenses of the family, the special needs of any family member including education needs, the family income, the family resources and plan for savings, the medical and hospitalization needs of the family, the family's means of purchasing or otherwise receiving such care, and any other expenses likely to be needed by the child to be adopted. In setting the amount of any initial payment made pursuant to RCW 26.33.320 and 74.13A.005 through 74.13A.080, the secretary is authorized to establish maximum payment amounts that are reasonable and allow permanency planning goals related to adoption of children under RCW 13.34.145 to be achieved at the earliest possible date. To encourage adoption of children between the ages of fourteen and eighteen, and in particular those children between the ages of fourteen and eighteen who are hard to place for adoption, the secretary is authorized to include as part of any new negotiated adoption agreement executed after the effective date of this section continued eligibility for the Washington college bound scholarship pursuant to RCW 28B.118.010.

The amounts paid for the support of a child pursuant to RCW 26.33.320 and 74.13A.005 through 74.13A.080 may vary from family to family and from year to year. Due to changes in economic circumstances or the needs of the child such payments may be discontinued and later resumed.

Payments under RCW 26.33.320 and 74.13A.005 through 74.13A.080 may be continued by the secretary subject to review as provided for herein, if such parent or parents having such child in their custody establish their residence in another state or a foreign jurisdiction.

In fixing the standards to govern the amount and character of payments to be made for the support of adopted children pursuant to RCW 26.33.320 and 74.13A.005 through 74.13A.080 and before issuing rules and regulations to carry out the provisions of RCW 26.33.320 and 74.13A.005 through 74.13A.080, the secretary shall consider the comments and recommendations of the committee designated by the secretary to advise him or her with respect to child welfare.

Sec. 9. RCW 74.13A.030 and 1996 c 130 s 2 are each amended to read as follows:

To carry out the program authorized by RCW 26.33.320 and ((74.13.100 through 74.13.145)) (74.13A.005 through 74.13A.080), the secretary may make continuing payments or lump sum payments of adoption support. In lieu of continuing payments, or in addition to them, the secretary may make one or more specific lump sum payments for or on behalf of a hard to place child either to the adoptive parents or directly to other persons to assist in correcting any condition causing such child to be hard to place for adoption.

Consistent with a particular child's needs, continuing adoption support payments shall include, if necessary to facilitate or support the adoption of a special needs child, an amount sufficient to remove any reasonable financial barrier to adoption as determined by the secretary under RCW ((74.13.112))74.13A.025.

After determination by the secretary of the amount of a payment or the initial amount of continuing payments, the prospective parent or parents who desire such support shall sign an agreement with the secretary providing for the payment, in the manner and at the time or times prescribed in regulations to be issued by the secretary subject to the provisions of RCW 26.33.320 and ((74.13.100 through 74.13.145))74.13A.005 through 74.13A.080, of the amount or amounts of support so determined.

Payments shall be subject to review as provided in RCW 26.33.320 and ((74.13.100 through 74.13.145))74.13A.005 through 74.13A.080.

**Sec. 10.** RCW 74.13A.047 and 2012 c 147 s 2 are each amended to read as follows:

(1) To ensure expenditures continue to remain within available funds as required by RCW 74.13A.005 and 74.13A.020, the secretary shall not set the amount of any adoption assistance payment or payments, made pursuant to RCW 26.33.320 and 74.13A.005 through 74.13A.080, to more than eighty percent of the foster care maintenance payment for that child had he or she remained in a foster family home during the same period. This subsection applies prospectively to adoption assistance agreements established on or after July 1, 2013, through June 30, 2017.

(2)(a) To ensure expenditures continue to remain within available funds as required by RCW 74.13A.005 and 74.13A.020, the secretary shall not set the amount of any adoption assistance payment or payments, made pursuant to RCW 26.33.320 and 74.13A.005 through 74.13A.080, to more than the following:

(i) For a child under the age of five, no more than eighty percent of the foster care maintenance payment for that child had he or she remained in a foster family home during the same period.

(ii) For a child aged five through nine, no more than ninety percent of the foster care maintenance payment for that child had he or she remained in a foster family home during the same period.

(iii) For a child aged ten through eighteen, no more than ninety-five percent of the foster care maintenance payment for that child had he or she remained in a foster family home during the same period.

(b) This subsection applies prospectively to adoption assistance agreements established on or after the effective date of this section.

(3) The department must establish a central unit of adoption support negotiators to help ensure consistent negotiation of adoption support agreements that will balance the needs of adoptive families with the state's need to remain fiscally responsible.

(((3)))(4) The department must request, in writing, that adoptive families with existing adoption support contracts renegotiate their contracts to establish lower adoption assistance payments if it is fiscally feasible for the family to do so. The department shall explain that adoption support contracts may be renegotiated as needs arise.

Sec. 11. RCW 28B.118.010 and 2015 3rd sp.s. c 36 s 8 are each amended to read as follows:

The office of student financial assistance shall design the Washington college bound scholarship program in accordance with this section and in alignment with the state need grant program in chapter 28B.92 RCW unless otherwise provided in this section.

(1) "Eligible students" are those students who:

(a) Qualify for free or reduced-price lunches. If a student qualifies in the seventh grade, the student remains eligible even if the student does not receive free or reduced-price lunches thereafter;  $((\sigma r))$ 

(b) Are dependent pursuant to chapter 13.34 RCW and:

(i) In grade seven through twelve; or

(ii) Are between the ages of eighteen and twenty-one and have not graduated from high school; or

(c) Were dependent pursuant to chapter 13.34 RCW and were adopted between the ages of fourteen and eighteen with a negotiated adoption agreement that includes continued eligibility for the Washington state college bound scholarship program pursuant to RCW 74.13A.025.

(2) Eligible students shall be notified of their eligibility for the Washington college bound scholarship program beginning in their seventh grade year. Students shall also be notified of the requirements for award of the scholarship.

(3)(a) To be eligible for a Washington college bound scholarship, a student eligible under subsection (1)(a) of this section must sign a pledge during seventh or eighth grade that includes a commitment to graduate from high school with at

least a C average and with no felony convictions. The pledge must be witnessed by a parent or guardian and forwarded to the office of student financial assistance by mail or electronically, as indicated on the pledge form.

(b) A student eligible under subsection (1)(b) of this section shall be automatically enrolled, with no action necessary by the student or the student's family, and the enrollment form must be forwarded by the department of social and health services to the higher education coordinating board or its successor by mail or electronically, as indicated on the form.

(4)(a) Scholarships shall be awarded to eligible students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, or who received home-based instruction under chapter 28A.200 RCW.

(b)(i) To receive the Washington college bound scholarship, a student must graduate with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through (d).

(ii) For eligible children as defined in subsection (1)(b) and (c) of this section, to receive the Washington college bound scholarship, a student must have received a high school equivalency certificate as provided in RCW 28B.50.536 or have graduated with at least a "C" average from a public high school or an approved private high school under chapter 28A.195 RCW in Washington or have received home-based instruction under chapter 28A.200 RCW, must have no felony convictions, and must be a resident student as defined in RCW 28B.15.012(2) (a) through (d).

For a student who does not meet the "C" average requirement, and who completes fewer than two quarters in the running start program, under chapter 28A.600 RCW, the student's first quarter of running start course grades must be excluded from the student's overall grade point average for purposes of determining their eligibility to receive the scholarship.

(5) A student's family income will be assessed upon graduation before awarding the scholarship.

(6) If at graduation from high school the student's family income does not exceed sixty-five percent of the state median family income, scholarship award amounts shall be as provided in this section.

(a) For students attending two or four-year institutions of higher education as defined in RCW 28B.10.016, the value of the award shall be (i) the difference between the student's tuition and required fees, less the value of any state-funded grant, scholarship, or waiver assistance the student receives; (ii) plus five hundred dollars for books and materials.

(b) For students attending private four-year institutions of higher education in Washington, the award amount shall be the representative average of awards granted to students in public research universities in Washington or the representative average of awards granted to students in public research universities in Washington in the 2014-15 academic year, whichever is greater.

(c) For students attending private vocational schools in Washington, the award amount shall be the representative average of awards granted to students in public community and technical colleges in Washington or the representative average of awards granted to students in public community and technical colleges in Washington in the 2014-15 academic year, whichever is greater.

(7) Recipients may receive no more than four full-time years' worth of scholarship awards.

(8) Institutions of higher education shall award the student all need-based and merit-based financial aid for which the student would otherwise qualify. The Washington college bound scholarship is intended to replace unmet need, loans, and, at the student's option, work-study award before any other grants or scholarships are reduced.

(9) The first scholarships shall be awarded to students graduating in 2012.

(10) The state of Washington retains legal ownership of tuition units awarded as scholarships under this chapter until the tuition units are redeemed. These tuition units shall remain separately held from any tuition units owned under chapter 28B.95 RCW by a Washington college bound scholarship recipient.

(11) The scholarship award must be used within five years of receipt. Any unused scholarship tuition units revert to the Washington college bound scholarship account.

(12) Should the recipient terminate his or her enrollment for any reason during the academic year, the unused portion of the scholarship tuition units shall revert to the Washington college bound scholarship account.

<u>NEW SECTION.</u> Sec. 12. A new section is added to chapter 41.04 RCW to read as follows:

(1) The foster parent shared leave pool is created to allow employees to donate leave to be used as shared leave for any employee who is a foster parent needing to care for or preparing to accept a foster child in their home. Participation in the pool shall, at all times, be voluntary on the part of the employee. The department of social and health services, in consultation with the office of financial management, shall administer the foster parent shared leave pool.

(2) Employees, as defined in RCW 41.04.655, may donate leave to the foster parent shared leave pool.

(3) An employee, as defined in RCW 41.04.655, who is also a foster parent licensed pursuant to RCW 74.15.040 may request shared leave from the foster parent shared leave pool.

(4) Shared leave under this section may not be granted unless the pool has a sufficient balance to fund the requested shared leave.

(5) Shared leave paid under this section must not exceed the level of the employee's state monthly salary.

(6) Any leave donated must be removed from the personally accumulated leave balance of the employee donating the leave.

(7) An employee who receives shared leave from the pool is not required to recontribute such leave to the pool, except as otherwise provided in this section.

(8) Leave that may be donated or received by any one employee shall be calculated as in RCW 41.04.665.

(9) As used in this section, "monthly salary" includes monthly salary and special pay and shift differential, or the monthly equivalent for hourly employees. "Monthly salary" does not include:

(a) Overtime pay;

(b) Call back pay;

(c) Standby pay; or

(d) Performance bonuses.

(10) The office of financial management, in consultation with the department of social and health services, shall adopt rules and policies governing the donation and use of shared leave from the foster parent shared leave pool, including definitions of pay and allowances and guidelines for agencies to use in recordkeeping concerning shared leave.

(11) Agencies must investigate any alleged abuse of the foster parent shared leave pool and on a finding of wrongdoing, the employee may be required to repay all of the shared leave received from the foster parent shared leave pool.

(12) Higher education institutions shall adopt policies consistent with the needs of the employees under their respective jurisdictions.

*<u>NEW SECTION.</u> Sec. 13. A new section is added to chapter 43.06 RCW to read as follows:

Within the office of the governor's appropriations, the governor shall regularly acknowledge the contributions of foster parents to the state of Washington with, at a minimum, a letter signed by the governor. The department of social and health services shall provide to the office of the governor all data necessary to discharge this duty.

*Sec. 13 was vetoed. See message at end of chapter.

<u>NEW SECTION.</u> Sec. 14. A new section is added to chapter 74.13 RCW to read as follows:

(1) The child welfare system improvement account is created in the state treasury. Moneys in the account may be spent only after appropriation. Moneys in the account may be expended solely for the following: (a) Foster home licensing; (b) achieving permanency for children; (c) support and assistance provided to foster parents in order to improve foster home retention and stability of placements; (d) improving and increasing placement options for youth in out-of-home care; and (e) preventing out-of-home placement.

(2) Revenues to the child welfare system improvement account consist of:(a) Legislative appropriations; and (b) any other public or private funds appropriated to or deposited in the account.

<u>NEW SECTION.</u> Sec. 15. RCW 74.13.107 (Child and family reinvestment account—Methodology for calculating savings resulting from reductions in foster care caseloads and per capita costs) and 2013 c 332 s 12 & 2012 c 204 s 2 are each repealed.

<u>NEW SECTION.</u> Sec. 16. RCW 74.12.037 (Income eligibility—Unearned income exemption) and 2014 c 75 s 1 & 2011 1st sp.s. c 42 s 4 are each repealed, effective July 1, 2018.

<u>NEW SECTION.</u> Sec. 17. The following acts or parts of acts are repealed:

(1) RCW 43.131.415 (Child and family reinvestment account and methodology for calculating savings—Termination) and 2012 c 204 s 4; and

(2) RCW 43.131.416 (Child and family reinvestment account and methodology for calculating savings—Repeal) and 2013 c 332 s 13 & 2012 c 204 s 5.

<u>NEW SECTION.</u> Sec. 18. Any residual balance of funds remaining in the child and family reinvestment account repealed by section 17 of this act must be transferred to the general fund.

<u>NEW SECTION.</u> Sec. 19. Pursuant to RCW 41.06.142(3), the competitive procurement process and contract provisions in this act are expressly mandated by the legislature and are not subject to the processes of RCW 41.06.142 (1), (4), and (5).

<u>NEW SECTION.</u> Sec. 20. Section 17 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 June 30, 2017.

<u>NEW SECTION.</u> Sec. 21. Section 18 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2017.

<u>NEW SECTION.</u> Sec. 22. 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.

<u>NEW SECTION.</u> Sec. 23. If any part of this act is found to be in conflict with P.L. 95-608 Indian Child Welfare Act of 1978 or 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 of P.L. 95-608 Indian Child Welfare Act of 1978 and federal requirements that are a necessary condition to the receipt of federal funds by the state.

Sec. 24. RCW 26.44.030 and 2017 c 118 s 1 are each amended to read as follows:

(1)(a) When any practitioner, county coroner or medical examiner, law enforcement officer, professional school personnel, registered or licensed nurse, social service counselor, psychologist, pharmacist, employee of the department of early learning, licensed or certified child care providers or their employees, employee of the department, juvenile probation officer, placement and liaison specialist, responsible living skills program staff, HOPE center staff, state family and children's ombuds or any volunteer in the ombuds's office, or host home program has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(b) When any person, in his or her official supervisory capacity with a nonprofit or for-profit organization, has reasonable cause to believe that a child has suffered abuse or neglect caused by a person over whom he or she regularly exercises supervisory authority, he or she shall report such incident, or cause a report to be made, to the proper law enforcement agency, provided that the person alleged to have caused the abuse or neglect is employed by, contracted by, or volunteers with the organization and coaches, trains, educates, or counsels a child or children or regularly has unsupervised access to a child or children as part of the employment, contract, or voluntary service. No one shall be required to report under this section when he or she obtains the information solely as a result of a privileged communication as provided in RCW 5.60.060.

Nothing in this subsection (1)(b) shall limit a person's duty to report under (a) of this subsection.

For the purposes of this subsection, the following definitions apply:

(i) "Official supervisory capacity" means a position, status, or role created, recognized, or designated by any nonprofit or for-profit organization, either for financial gain or without financial gain, whose scope includes, but is not limited to, overseeing, directing, or managing another person who is employed by, contracted by, or volunteers with the nonprofit or for-profit organization.

(ii) "Organization" includes a sole proprietor, partnership, corporation, limited liability company, trust, association, financial institution, governmental entity, other than the federal government, and any other individual or group engaged in a trade, occupation, enterprise, governmental function, charitable function, or similar activity in this state whether or not the entity is operated as a nonprofit or for-profit entity.

(iii) "Reasonable cause" means a person witnesses or receives a credible written or oral report alleging abuse, including sexual contact, or neglect of a child.

(iv) "Regularly exercises supervisory authority" means to act in his or her official supervisory capacity on an ongoing or continuing basis with regards to a particular person.

(v) "Sexual contact" has the same meaning as in RCW 9A.44.010.

(c) The reporting requirement also applies to department of corrections personnel who, in the course of their employment, observe offenders or the children with whom the offenders are in contact. If, as a result of observations or information received in the course of his or her employment, any department of corrections personnel has reasonable cause to believe that a child has suffered abuse or neglect, he or she shall report the incident, or cause a report to be made, to the proper law enforcement agency or to the department as provided in RCW 26.44.040.

(d) The reporting requirement shall also apply to any adult who has reasonable cause to believe that a child who resides with them, has suffered severe abuse, and is able or capable of making a report. For the purposes of this subsection, "severe abuse" means any of the following: Any single act of abuse that causes physical trauma of sufficient severity that, if left untreated, could cause death; any single act of sexual abuse that causes significant bleeding, deep bruising, or significant external or internal swelling; or more than one act of physical abuse, each of which causes bleeding, deep bruising, significant external or internal swelling, or unconsciousness.

(e) The reporting requirement also applies to guardians ad litem, including court-appointed special advocates, appointed under Titles 11 and 13 RCW and this title, who in the course of their representation of children in these actions have reasonable cause to believe a child has been abused or neglected.

(f) The reporting requirement in (a) of this subsection also applies to administrative and academic or athletic department employees, including student employees, of institutions of higher education, as defined in RCW 28B.10.016, and of private institutions of higher education.

(g) The report must be made at the first opportunity, but in no case longer than forty-eight hours after there is reasonable cause to believe that the child has suffered abuse or neglect. The report must include the identity of the accused if known.

(2) The reporting requirement of subsection (1) of this section does not apply to the discovery of abuse or neglect that occurred during childhood if it is discovered after the child has become an adult. However, if there is reasonable cause to believe other children are or may be at risk of abuse or neglect by the accused, the reporting requirement of subsection (1) of this section does apply.

(3) Any other person who has reasonable cause to believe that a child has suffered abuse or neglect may report such incident to the proper law enforcement agency or to the department of social and health services as provided in RCW 26.44.040.

(4) The department, upon receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means or who has been subjected to alleged sexual abuse, shall report such incident to the proper law enforcement agency, including military law enforcement, if appropriate. In emergency cases, where the child's welfare is endangered, the department shall notify the proper law enforcement agency within twenty-four hours after a report is received by the department. In all other cases, the department shall notify the law enforcement agency within seventytwo hours after a report is received by the department. If the department makes an oral report, a written report must also be made to the proper law enforcement agency within five days thereafter.

(5) Any law enforcement agency receiving a report of an incident of alleged abuse or neglect pursuant to this chapter, involving a child who has died or has had physical injury or injuries inflicted upon him or her other than by accidental means, or who has been subjected to alleged sexual abuse, shall report such incident in writing as provided in RCW 26.44.040 to the proper county prosecutor or city attorney for appropriate action whenever the law enforcement agency's investigation reveals that a crime may have been committed. The law enforcement agency shall also notify the department of all reports received and the law enforcement agency's disposition of them. In emergency cases, where the child's welfare is endangered, the law enforcement agency shall notify the department within twenty-four hours. In all other cases, the law enforcement agency shall notify the department within seventy-two hours after a report is received by the law enforcement agency.

(6) Any county prosecutor or city attorney receiving a report under subsection (5) of this section shall notify the victim, any persons the victim requests, and the local office of the department, of the decision to charge or decline to charge a crime, within five days of making the decision.

(7) The department may conduct ongoing case planning and consultation with those persons or agencies required to report under this section, with consultants designated by the department, and with designated representatives of Washington Indian tribes if the client information exchanged is pertinent to cases currently receiving child protective services. Upon request, the department shall conduct such planning and consultation with those persons required to report under this section if the department determines it is in the best interests of the child. Information considered privileged by statute and not directly related to reports required by this section must not be divulged without a valid written waiver of the privilege.

(8) Any case referred to the department by a physician licensed under chapter 18.57 or 18.71 RCW on the basis of an expert medical opinion that child abuse, neglect, or sexual assault has occurred and that the child's safety will be seriously endangered if returned home, the department shall file a dependency petition unless a second licensed physician of the parents' choice believes that such expert medical opinion is incorrect. If the parents fail to designate a second physician, the department may make the selection. If a physician finds that a child has suffered abuse or neglect but that such abuse or neglect does not constitute imminent danger to the child's health or safety, and the department agrees with the physician's assessment, the child may be left in the parents' home while the department proceeds with reasonable efforts to remedy parenting deficiencies.

(9) Persons or agencies exchanging information under subsection (7) of this section shall not further disseminate or release the information except as authorized by state or federal statute. Violation of this subsection is a misdemeanor.

(10) Upon receiving a report of alleged abuse or neglect, the department shall make reasonable efforts to learn the name, address, and telephone number of each person making a report of abuse or neglect under this section. The department shall provide assurances of appropriate confidentiality of the identification of persons reporting under this section. If the department is unable to learn the information required under this subsection, the department shall only investigate cases in which:

(a) The department believes there is a serious threat of substantial harm to the child;

(b) The report indicates conduct involving a criminal offense that has, or is about to occur, in which the child is the victim; or

(c) The department has a prior founded report of abuse or neglect with regard to a member of the household that is within three years of receipt of the referral.

(11)(a) Upon receiving a report of alleged abuse or neglect, the department shall use one of the following discrete responses to reports of child abuse or neglect that are screened in and accepted for departmental response:

(i) Investigation; or

(ii) Family assessment.

(b) In making the response in (a) of this subsection the department shall:

(i) Use a method by which to assign cases to investigation or family assessment which are based on an array of factors that may include the presence of: Imminent danger, level of risk, number of previous child abuse or neglect reports, or other presenting case characteristics, such as the type of alleged maltreatment and the age of the alleged victim. Age of the alleged victim shall not be used as the sole criterion for determining case assignment;

(ii) Allow for a change in response assignment based on new information that alters risk or safety level;

(iii) Allow families assigned to family assessment to choose to receive an investigation rather than a family assessment;

(iv) Provide a full investigation if a family refuses the initial family assessment;

(v) Provide voluntary services to families based on the results of the initial family assessment. If a family refuses voluntary services, and the department cannot identify specific facts related to risk or safety that warrant assignment to investigation under this chapter, and there is not a history of reports of child abuse or neglect related to the family, then the department must close the family assessment response case. However, if at any time the department identifies risk or safety factors that warrant an investigation under this chapter, then the family assessment response case must be reassigned to investigation;

(vi) Conduct an investigation, and not a family assessment, in response to an allegation that, the department determines based on the intake assessment:

(A) Poses a risk of "imminent harm" consistent with the definition provided in RCW 13.34.050, which includes, but is not limited to, sexual abuse and sexual exploitation as defined in this chapter;

(B) Poses a serious threat of substantial harm to a child;

(C) Constitutes conduct involving a criminal offense that has, or is about to occur, in which the child is the victim;

(D) The child is an abandoned child as defined in RCW 13.34.030;

(E) The child is an adjudicated dependent child as defined in RCW 13.34.030, or the child is in a facility that is licensed, operated, or certified for care of children by the department under chapter 74.15 RCW, or by the department of early learning.

(c) The department may not be held civilly liable for the decision to respond to an allegation of child abuse or neglect by using the family assessment response under this section unless the state or its officers, agents, or employees acted with reckless disregard.

(12)(a) For reports of alleged abuse or neglect that are accepted for investigation by the department, the investigation shall be conducted within time frames established by the department in rule. In no case shall the investigation extend longer than ninety days from the date the report is received, unless the investigation is being conducted under a written protocol pursuant to RCW 26.44.180 and a law enforcement agency or prosecuting attorney has determined that a longer investigation period is necessary. At the completion of the investigation, the department shall make a finding that the report of child abuse or neglect is founded or unfounded.

(b) If a court in a civil or criminal proceeding, considering the same facts or circumstances as are contained in the report being investigated by the department, makes a judicial finding by a preponderance of the evidence or higher that the subject of the pending investigation has abused or neglected the child, the department shall adopt the finding in its investigation.

(13) For reports of alleged abuse or neglect that are responded to through family assessment response, the department shall:

(a) Provide the family with a written explanation of the procedure for assessment of the child and the family and its purposes;

(b) Collaborate with the family to identify family strengths, resources, and service needs, and develop a service plan with the goal of reducing risk of harm to the child and improving or restoring family well-being;

(c) Complete the family assessment response within forty-five days of receiving the report; however, upon parental agreement, the family assessment response period may be extended up to ninety days;

(d) Offer services to the family in a manner that makes it clear that acceptance of the services is voluntary;

(e) Implement the family assessment response in a consistent and cooperative manner;

(f) Have the parent or guardian ((sign an agreement))agree to participate in services before services are initiated ((that)). The department shall inform((s)) the parents of their rights under family assessment response, all of their options, and the options the department has if the parents do not ((sign the consent form))agree to participate in services.

(14)(a) In conducting an investigation or family assessment of alleged abuse or neglect, the department or law enforcement agency:

(i) May interview children. If the department determines that the response to the allegation will be family assessment response, the preferred practice is to request a parent's, guardian's, or custodian's permission to interview the child before conducting the child interview unless doing so would compromise the safety of the child or the integrity of the assessment. The interviews may be conducted on school premises, at day-care facilities, at the child's home, or at other suitable locations outside of the presence of parents. If the allegation is investigated, parental notification of the interview must occur at the earliest possible point in the investigation that will not jeopardize the safety or protection of the child or the course of the investigation. Prior to commencing the interview the department or law enforcement agency shall determine whether the child wishes a third party to be present for the interview and, if so, shall make reasonable efforts to accommodate the child's wishes. Unless the child objects, the department or law enforcement agency shall make reasonable efforts to include a third party in any interview so long as the presence of the third party will not jeopardize the course of the investigation; and

(ii) Shall have access to all relevant records of the child in the possession of mandated reporters and their employees.

(b) The Washington state school directors' association shall adopt a model policy addressing protocols when an interview, as authorized by this subsection, is conducted on school premises. In formulating its policy, the association shall consult with the department and the Washington association of sheriffs and police chiefs.

(15) If a report of alleged abuse or neglect is founded and constitutes the third founded report received by the department within the last twelve months involving the same child or family, the department shall promptly notify the office of the family and children's ombuds of the contents of the report. The department shall also notify the ombuds of the disposition of the report.

(16) In investigating and responding to allegations of child abuse and neglect, the department may conduct background checks as authorized by state and federal law.

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(17)(a) The department shall maintain investigation records and conduct timely and periodic reviews of all founded cases of abuse and neglect. The department shall maintain a log of screened-out nonabusive cases.

(b) In the family assessment response, the department shall not make a finding as to whether child abuse or neglect occurred. No one shall be named as a perpetrator and no investigative finding shall be entered in the department's child abuse or neglect database.

(18) The department shall use a risk assessment process when investigating alleged child abuse and neglect referrals. The department shall present the risk factors at all hearings in which the placement of a dependent child is an issue. Substance abuse must be a risk factor.

(19) Upon receipt of a report of alleged abuse or neglect the law enforcement agency may arrange to interview the person making the report and any collateral sources to determine if any malice is involved in the reporting.

(20) Upon receiving a report of alleged abuse or neglect involving a child under the court's jurisdiction under chapter 13.34 RCW, the department shall promptly notify the child's guardian ad litem of the report's contents. The department shall also notify the guardian ad litem of the disposition of the report. For purposes of this subsection, "guardian ad litem" has the meaning provided in RCW 13.34.030.

(21) The department shall make efforts as soon as practicable to determine the military status of parents whose children are subject to abuse or neglect allegations. If the department determines that a parent or guardian is in the military, the department shall notify a department of defense family advocacy program that there is an allegation of abuse and neglect that is screened in and open for investigation that relates to that military parent or guardian.

(22) The department shall make available on its public web site a downloadable and printable poster that includes the reporting requirements included in this section. The poster must be no smaller than eight and one-half by eleven inches with all information on one side. The poster must be made available in both the English and Spanish languages. Organizations that include employees or volunteers subject to the reporting requirements of this section must clearly display this poster in a common area. At a minimum, this poster must include the following:

- (a) Who is required to report child abuse and neglect;
- (b) The standard of knowledge to justify a report;
- (c) The definition of reportable crimes;
- (d) Where to report suspected child abuse and neglect; and
- (e) What should be included in a report and the appropriate timing.

<u>NEW SECTION</u>. Sec. 25. (1) The department of social and health services, with technical consultation from the caseload forecast council and associated technical work groups, shall review the forecasts of licensed foster care to ensure that all youth in licensed foster care are included in the caseload forecast and that maintenance level costs associated with these youth, not including costs associated with behavioral rehabilitation services, are accurately calculated.

(2) The department of social and health services shall submit a report detailing their findings and any recommendations associated with this review to the governor and the appropriate committees of the legislature no later than December 1, 2017.

<u>NEW SECTION.</u> Sec. 26. Section 2 of this act takes effect only if neither Second Engrossed Second Substitute House Bill No. 1661 (including any later amendments or substitutes) nor Substitute Senate Bill No. 5498 (including any later amendments or substitutes) is signed into law by the governor by the effective date of this section.

<u>NEW SECTION.</u> Sec. 27. Section 3 of this act takes effect only if Second Engrossed Second Substitute House Bill No. 1661 (including any later amendments or substitutes) or Substitute Senate Bill No. 5498 (including any later amendments or substitutes) is signed into law by the governor by the effective date of this section.

<u>NEW SECTION.</u> Sec. 28. APPROPRIATIONS FOR THE OFFICE OF CIVIL LEGAL AID. (1) The sums of \$648,000 from the state general fund for fiscal year 2018 and \$648,000 from the state general fund for fiscal year 2019, or so much thereof as may be necessary, are each appropriated to the office of civil legal aid and are provided solely for the office to provide legal representation for foster children in two counties at the initial shelter care hearing in dependency proceedings prior to termination of parental rights in conjunction with the research assessment authorized in subsection (2) of this section.

(2)(a) The sum of \$75,000, or so much thereof as may be necessary, is appropriated from the state general fund for fiscal year 2019 to the office of civil legal aid and is provided solely for the office to contract with the Washington state center for court research for a statistically reliable assessment of differential outcomes in dependency proceedings prior to termination of parental rights. The assessment must involve a randomized control test or other appropriate research methodology. The center may engage or otherwise associate with other researcher organizations, as appropriate, to help with data design, collection, and analysis. The assessment must compare impacts and outcomes for foster children who receive standards-based legal representation to those who are not represented by an attorney before termination of parental rights. The assessment must focus on dependent children in Grant, Lewis, Douglas, and Whatcom counties. The assessment must quantify differentials, if any, between the experience of children who are represented in the dependency proceeding and those who are not in relation to the following:

(i) The time to achieve permanency and permanency outcomes; and

(ii) Educational, social, or other relevant child welfare indicators as determined relevant by the center including, but not limited to, relevant child welfare indicators identified through consultation with foster children, youth, and other stakeholders involved in the research assessment.

The assessment must also identify and project cost savings to the state, if any, as a result of providing legal representation for children at the shelter care hearing.

(b) The office of the superintendent of public instruction and the children's administration or a successor agency shall provide, in compliance with the federal family education rights and privacy act, the center with necessary data including necessary personal identifiers. The office of the superintendent of public instruction shall consult with the center to ensure the validity of data elements and the interpretation of results.

(c) The Washington state center for court research shall report its initial findings to the legislature by December 31, 2019. Subject to the availability of amounts appropriated during the 2019-2021 fiscal biennium or obtained from other sources, the center may continue the research assessment through December 31, 2021, and submit a supplemental report to the legislature. The report or reports may not include personal identifiers, or any personally identifiable information, as defined in the federal family educational rights and privacy act.

(d) The office of civil legal aid may apply for and receive grants, donations, or other contributions to help underwrite this research assessment effort.

Passed by the Senate June 30, 2017.

Passed by the House June 30, 2017.

Approved by the Governor July 6, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 7, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 13, Second Engrossed Substitute Senate Bill No. 5890 entitled:

"AN ACT Relating to foster care and adoption support."

Section 13 requires me to regularly acknowledge the contributions of foster parents by, at a minimum, sending them a signed letter. I am always striving to find ways to thank foster parents for what they do. I currently honor them by proclaiming the month of May as Foster Care Month and personally recognizing them at the annual foster parent application event. I will continue to identify ways to express my appreciation.

For these reasons I have vetoed Section 13 of Second Engrossed Substitute Senate Bill No. 5890.

With the exception of Section 13, Second Engrossed Substitute Senate Bill No. 5890 is approved."

## **CHAPTER 21**

[Engrossed Substitute Senate Bill 5898]

#### TEMPORARY ASSISTANCE FOR NEEDY FAMILIES--WORKFIRST WORK

REQUIREMENTS--PARENTS

AN ACT Relating to eligibility for public assistance programs; and amending RCW  $74.08A.260 \ \text{and} \ 74.08A.270.$ 

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

**Sec. 1.** RCW 74.08A.260 and 2011 1st sp.s. c 42 s 2 are each amended to read as follows:

(1) Each recipient shall be assessed after determination of program eligibility and before referral to job search. Assessments shall be based upon factors that are critical to obtaining employment, including but not limited to education, availability of child care, history of family violence, history of substance abuse, and other factors that affect the ability to obtain employment. Assessments may be performed by the department or by a contracted entity. The assessment shall be based on a uniform, consistent, transferable format that will be accepted by all agencies and organizations serving the recipient.

(2) Based on the assessment, an individual responsibility plan shall be prepared that: (a) Sets forth an employment goal and a plan for maximizing the

recipient's success at meeting the employment goal; (b) considers WorkFirst educational and training programs from which the recipient could benefit; (c) contains the obligation of the recipient to participate in the program by complying with the plan; (d) moves the recipient into full-time WorkFirst activities as quickly as possible; and (e) describes the services available to the recipient either during or after WorkFirst to enable the recipient to obtain and keep employment and to advance in the workplace and increase the recipient's wage earning potential over time.

(3) Recipients who are not engaged in work and work activities, and do not qualify for a good cause exemption under RCW 74.08A.270, shall engage in self-directed service as provided in RCW 74.08A.330.

(4) If a recipient refuses to engage in work and work activities required by the department, the family's grant shall be reduced by the recipient's share, and may, if the department determines it appropriate, be terminated.

(5) The department may waive the penalties required under subsection (4) of this section, subject to a finding that the recipient refused to engage in work for good cause provided in RCW 74.08A.270.

(6) In consultation with the recipient, the department or contractor shall place the recipient into a work activity that is available in the local area where the recipient resides.

(7) Assessments conducted under this section shall include a consideration of the potential benefit to the recipient of engaging in financial literacy activities. The department shall consider the options for financial literacy activities available in the community, including information and resources available through the financial education public-private partnership created under RCW 28A.300.450. The department may authorize up to ten hours of financial literacy activities as a core activity or an optional activity under WorkFirst.

(8)(a) ((From July 1, 2011, through June 30, 2012,)) Subsections (2) through (6) of this section are suspended for a recipient who is a parent or other relative personally providing care for ((one)) a child under the age of two years((, or two or more children under the age of six years)). This suspension applies to both one and two parent families. However, both parents in a twoparent family cannot use the suspension during the same month. ((Beginning July 1, 2012, the department shall phase in the work activity requirements that were suspended, beginning with those recipients closest to reaching the sixtymonth limit of receiving temporary assistance for needy families under RCW 74.08A.010(1). The phase in shall be accomplished so that a fairly equal number of recipients required to participate in work activities are returned to those activities each month until the total number required to participate is participating by June 30, 2013.)) Nothing in this subsection shall prevent a recipient from participating in the WorkFirst program on a voluntary basis. ((Recipients who participate in the WorkFirst program on a voluntary basis shall be provided an option to participate in the program on a part-time basis, consisting of sixteen or fewer hours of activities per week. Recipients also may participate voluntarily on a full-time basis.))

(b)(i) The period of suspension of work activities under this subsection provides an opportunity for the legislative and executive branches to oversee redesign of the WorkFirst program. To realize this opportunity, both during the period of suspension and following reinstatement of work activity requirements as redesign is being implemented, a legislative-executive WorkFirst oversight task force is established, with members as provided in this subsection (8)(b).

(ii) The president of the senate shall appoint two members from each of the two largest caucuses of the senate.

(iii) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives.

(iv) The governor shall appoint members representing the department of social and health services, the department of early learning, the department of commerce, the employment security department, the office of financial management, and the state board for community and technical colleges.

(v) The task force shall choose cochairs, one from among the legislative members and one from among the executive branch members. The legislative members shall convene the initial meeting of the task force.

(c) The task force shall:

(i) Oversee the partner agencies' implementation of the redesign of the WorkFirst program and operation of the temporary assistance for needy families program to ensure that the programs are achieving desired outcomes for their clients;

(ii) Determine evidence-based outcome measures for the WorkFirst program, including measures related to equitably serving the needs of historically underrepresented populations, such as English language learners, immigrants, refugees, and other diverse communities;

(iii) Develop accountability measures for WorkFirst recipients and the state agencies responsible for their progress toward self-sufficiency;

(iv) Make recommendations to the governor and the legislature regarding:

(A) Policies to improve the effectiveness of the WorkFirst program over time;

(B) Early identification of those recipients most likely to experience long stays on the program and strategies to improve their ability to achieve progress toward self-sufficiency; and

(C) Necessary changes to the program, including taking into account federal changes to the temporary assistance for needy families program.

(d) The partner agencies must provide the task force with regular reports on:

(i) The partner agencies' progress toward meeting the outcome and performance measures established under (c) of this subsection;

(ii) Caseload trends and program expenditures, and the impact of those trends and expenditures on client services, including services to historically underrepresented populations; and

(iii) The characteristics of families who have been unsuccessful on the program and have lost their benefits either through sanction or the sixty-month time limit.

(e) Staff support for the task force must be provided by senate committee services, the house of representatives office of program research, and the state agency members of the task force.

(f) The task force shall meet on a quarterly basis beginning September 2011, or as determined necessary by the task force cochairs.

(g) During its tenure, the state agency members of the task force shall respond in a timely manner to data requests from the cochairs.

Sec. 2. RCW 74.08A.270 and 2007 c 289 s 1 are each amended to read as follows:

(1) Good cause reasons for failure to participate in WorkFirst program components include: (a) Situations where the recipient is a parent or other relative personally providing care for a child under the age of six years, and formal or informal child care, or day care for an incapacitated individual living in the same home as a dependent child, is necessary for an individual to participate or continue participation in the program or accept employment, and such care is not available, and the department fails to provide such care; or (b) the recipient is a parent with a child under the age of ((one)) two years.

(2) A parent claiming a good cause exemption from WorkFirst participation under subsection (1)(b) of this section may be required to participate in one or more of the following, up to a maximum total of twenty hours per week, if such treatment, services, or training is indicated by the comprehensive evaluation or other assessment:

(a) Mental health treatment;

(b) Alcohol or drug treatment;

(c) Domestic violence services; or

(d) Parenting education or parenting skills training, if available.

(3) The department shall: (a) Work with a parent claiming a good cause exemption under subsection (1)(b) of this section to identify and access programs and services designed to improve parenting skills and promote child well-being, including but not limited to home visitation programs and services; and (b) provide information on the availability of home visitation services to temporary assistance for needy families caseworkers, who shall inform clients of the availability of the services. If desired by the client, the caseworker shall facilitate appropriate referrals to providers of home visitation services.

(4) Nothing in this section shall prevent a recipient from participating in the WorkFirst program on a voluntary basis.

(5) A parent is eligible for a good cause exemption under subsection (1)(b) of this section for a maximum total of ((twelve)) twenty-four months over the parent's lifetime.

Passed by the Senate June 30, 2017. Passed by the House June 30, 2017. Approved by the Governor July 6, 2017. Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 22**

[Substitute Senate Bill 5901] EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM--FULL IMPLEMENTATION DATE

AN ACT Relating to eligibility for the early childhood education and assistance program; and amending RCW 43.215.456.

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

Sec. 1. RCW 43.215.456 and 2015 3rd sp.s. c 7 s 12 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. Allocations must be made on the basis of eligible children enrolled with eligible providers.

(2) The program shall be implemented in phases, so that full implementation is achieved in the  $((\frac{2020-21}{202-23}))$  school year.

(3) For the initial phase of the early learning program in school years 2011-12 and 2012-13, the legislature shall appropriate funding to the department for implementation of the program in an amount not less than the 2009-2011 enacted budget for the early childhood education and assistance program. The appropriation shall be sufficient to fund an equivalent number of slots as funded in the 2009-2011 enacted budget.

(4) Beginning in the 2013-14 school year, additional funding for the program must be phased in beginning in school districts providing all-day kindergarten programs under RCW 28A.150.315.

(5) Funding shall continue to be phased in each year until full statewide implementation of the early learning program is achieved in the ((2020-21)) 2022-23 school year, at which time any eligible child shall be entitled to be enrolled in the program.

(6) 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.

Passed by the Senate June 29, 2017. Passed by the House June 29, 2017. Approved by the Governor July 6, 2017. Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 23**

#### [Senate Bill 5969] PUBLIC EMPLOYEE COLLECTIVE BARGAINING--PUBLIC WEBSITE--JOINT COMMITTEE ON EMPLOYMENT RELATIONS

AN ACT Relating to increasing transparency in public employee collective bargaining through the posting of the content of bargaining agreements and meetings of the joint committee of employment relations; amending RCW 41.80.010; adding a new section to chapter 43.88 RCW; and adding a new section to chapter 41.80 RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 43.88 RCW to read as follows:

(1) To facilitate public inspection of state collective bargaining agreements, the office of financial management must maintain a web site that is accessible to the public of all agreements collectively bargained with state employees under the authority of chapters 28B.52, 41.56, 41.76, 41.80, and 47.64 RCW. In addition, the web site must contain all agreements collectively bargained with persons who are state employees solely for the purpose of collective bargaining under RCW 41.56.026, 41.56.028, 41.56.029, 41.56.473, 41.56.510, and 74.39A.270. Tentatively agreed to collective bargaining agreements must be posted to the web site in a searchable format within forty-five days of being

submitted to the office of financial management. Revisions and modification to agreements must be posted to the web site within fifteen days of the agreement being signed by both parties.

(2) To facilitate public understanding of state collective bargaining agreements, the office of financial management must prepare a summary of each agreement subject to subsection (1) of this section for posting on the web site by December 20th of the year in which the agreement was negotiated, but no later than the date that the governor submits a request for funding to the legislature. The summary must identify the following information for each agreement:

(a) The term of the agreement;

(b) The bargaining units covered by the agreement by state agency;

(c) Base compensation;

(d) Provisions for and rate of overtime pay;

(e) Provisions for and rate of compensatory time;

(f) Provisions for and rate of any other compensation including, but not limited to, shift premium pay, on-call pay, stand-by pay, assignment pay, special pay, or employer-provided housing or meals;

(g) Provisions for and rate of pay for each paid leave provision;

(h) Provisions for and rate of pay for any cash out provisions for compensatory time or paid leave;

(i) Temporary layoff provision;

(j) Any impasse procedure subject to bargaining;

(k) Health care benefits provisions expressed as a percentage of cost or as a dollar amount, or in the case of contributions to a third-party benefit fund, the hourly contribution rate to the fund;

(1) Any retirement benefit subject to bargaining, or in the case of contributions to a third-party benefit fund, the hourly contribution rate to the fund;

(m) For compensation or fringe benefits with an anticipated cost of fifty thousand dollars or more, a brief description of each component and its cost that comprises the amount funded by the legislature to implement in accordance with RCW 41.80.010(3);

(n) Number of bargaining unit members covered by the agreement as of the date submitted to the office of financial management;

(o) Content of any agency-specific supplemental agreements affecting (a) through (m) of this subsection; and

(p) Any contract provisions that allow the contract to be reopened during the contract term.

(3) For collective bargaining agreements negotiated by institutions of higher education, the institution of higher education must:

(a) Provide the office of financial management with a searchable version of the tentatively agreed to collective bargaining agreements to be posted on the web site identified in subsection (1) of this section to within forty days of submitting the agreements to the office of financial management.

(b) Submit revisions and modifications to agreements to the office of financial management to be posted to the web site identified in subsection (1) of this section within ten days of the agreement being signed by both parties.

(c) Submit a summary of each agreement to the office of financial management by December 10th of the year in which a master agreement was

negotiated or within fifteen days of a contract revision. The summary must include the information identified in subsection (2)(a) through (p) of this section.

(4) The office of financial management must also include on the web site any additional information identified in budget instructions developed by the office of financial management or that is otherwise required under RCW 43.88.030.

(5) Information on the web site may include links to salary schedules, pay ranges, and other information on state or federal agency web sites to summarize information. Information may include links to specific language within an agreement to summarize information.

(6) By January 1, 2018, the information under this section must be incorporated into the state expenditure information web site maintained by the legislative evaluation and accountability program committee under RCW 44.48.150.

(7) The summaries of collective bargaining agreements created under this section must not disclose personally identifiable information of any bargaining unit member.

(8) The summaries of collective bargaining agreements created under this section have no legal effect on the interpretation of the agreements.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 41.80 RCW to read as follows:

(1) A joint committee on employment relations is established, composed of the following members:

(a) Two members with leadership positions in the house of representatives, representing each of the two largest caucuses;

(b) The chair and ranking minority member of the house appropriations committee, or its successor, representing each of the two largest caucuses;

(c) Two members with leadership positions in the senate, representing each of the two largest caucuses;

(d) The chair and ranking minority member of the senate ways and means committee, or its successor, representing each of the two largest caucuses; and

(e) One nonvoting member, appointed by the governor, representing the office of financial management.

(2) The committee shall elect a chairperson and a vice chairperson.

(3) The governor or a designee shall convene meetings of the committee. The committee must meet at least six times, generally every two months, for the purpose of consulting with the governor or the governor's designee and institutions of higher education on matters related to collective bargaining with state employees conducted under the authority of this chapter and chapters 41.56, 47.64, and 74.39A RCW. The governor or the governor's designee or the institution of higher education may not share internal bargaining notes.

(4) In years when master collective bargaining agreements are negotiated, the committee must meet prior to the start of bargaining to identify goals and objectives for public employee collective bargaining that the governor may take into consideration during negotiations.

(5) One meeting must be convened following the governor's budget submittal to the legislature to consult with the committee regarding the appropriations necessary to implement the compensation and fringe benefit provisions in the master collective bargaining agreements and to advise the committee on the elements of the agreements and on any legislation necessary to implement the agreements.

(6) The committee shall, by a majority of the members, adopt rules to govern its conduct as may be necessary or appropriate, including reasonable procedures for calling and conducting meetings of the committee, ensuring reasonable advance notice of each meeting, and providing for the right of the public to attend each such meeting with enumerated exceptions designed to protect the public's interest, the privacy of individuals, and confidential information used or to be used in collective bargaining, including the specific details of bargaining proposals.

(7) The committee may, by a majority of the members, meet more or less frequently. A quorum of the joint committee is not required for the meeting to take place. Meetings may take place by conference telephone or similar communications equipment so that all persons participating in the meeting can hear each other at the same time. Participation by that method constitutes presence in person at a meeting.

Sec. 3. RCW 41.80.010 and 2016 sp.s. c 36 s 923 are each amended to read as follows:

(1) For the purpose of negotiating collective bargaining agreements under this chapter, the employer shall be represented by the governor or governor's designee, except as provided for institutions of higher education in subsection (4) of this section.

(2)(a) If an exclusive bargaining representative represents more than one bargaining unit, the exclusive bargaining representative shall negotiate with each employer representative as designated in subsection (1) of this section one master collective bargaining agreement on behalf of all the employees in bargaining units that the exclusive bargaining representative represents. For those exclusive bargaining representatives who represent fewer than a total of five hundred employees each, negotiation shall be by a coalition of all those exclusive bargaining representatives. The coalition shall bargain for a master collective bargaining agreement covering all of the employees represented by coalition. The governor's designee and the exclusive bargaining the representative or representatives are authorized to enter into supplemental bargaining of agency-specific issues for inclusion in or as an addendum to the master collective bargaining agreement, subject to the parties' agreement regarding the issues and procedures for supplemental bargaining. This section does not prohibit cooperation and coordination of bargaining between two or more exclusive bargaining representatives.

(b) This subsection (2) does not apply to exclusive bargaining representatives who represent employees of institutions of higher education, except when the institution of higher education has elected to exercise its option under subsection (4) of this section to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section.

(c) If five hundred or more employees of an independent state elected official listed in RCW 43.01.010 are organized in a bargaining unit or bargaining units under RCW 41.80.070, the official shall be consulted by the governor or the governor's designee before any agreement is reached under (a) of this

subsection concerning supplemental bargaining of agency specific issues affecting the employees in such bargaining unit.

(3) The governor shall submit a request for funds necessary to implement the compensation and fringe benefit provisions in the master collective bargaining agreement or for legislation necessary to implement the agreement. Requests for funds necessary to implement the provisions of bargaining agreements shall not be submitted to the legislature by the governor unless such requests:

(a) Have been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the requests are to be considered; and

(b) Have been certified by the director of the office of financial management as being feasible financially for the state.

The legislature shall approve or reject the submission of the request for funds as a whole. The legislature shall not consider a request for funds to implement a collective bargaining agreement unless the request is transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060. If the legislature rejects or fails to act on the submission, either party may reopen all or part of the agreement or the exclusive bargaining representative may seek to implement the procedures provided for in RCW 41.80.090.

(4)(a)(i) For the purpose of negotiating agreements for institutions of higher education, the employer shall be the respective governing board of each of the universities, colleges, or community colleges or a designee chosen by the board to negotiate on its behalf.

(ii) A governing board of a university or college may elect to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section, except that:

(A) The governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement for all of the bargaining units of employees of a university or college that the representative represents; or

(B) If the parties mutually agree, the governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement for all of the bargaining units of employees of more than one university or college that the representative represents.

(iii) A governing board of a community college may elect to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section.

(b) Prior to entering into negotiations under this chapter, the institutions of higher education or their designees shall consult with the director of the office of financial management regarding financial and budgetary issues that are likely to arise in the impending negotiations.

(c)(i) In the case of bargaining agreements reached between institutions of higher education other than the University of Washington and exclusive bargaining representatives agreed to under the provisions of this chapter, if appropriations are necessary to implement the compensation and fringe benefit

(ii) In the case of bargaining agreements reached between the University of Washington and exclusive bargaining representatives agreed to under the provisions of this chapter, if appropriations are necessary to implement the compensation and fringe benefit provisions of a bargaining agreement, the governor shall submit a request for such funds to the legislature according to the provisions of subsection (3) of this section, except as provided in this subsection (4)(c)(ii) and as provided in (c)(iii) of this subsection.

(A) If appropriations of less than ten thousand dollars are necessary to implement the provisions of a bargaining agreement, a request for such funds shall not be submitted to the legislature by the governor unless the request has been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the request is to be considered.

(B) If appropriations of ten thousand dollars or more are necessary to implement the provisions of a bargaining agreement, a request for such funds shall not be submitted to the legislature by the governor unless the request:

(I) Has been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the request is to be considered; and

(II) Has been certified by the director of the office of financial management as being feasible financially for the state.

(C) If the director of the office of financial management does not certify a request under (c)(ii)(B) of this subsection as being feasible financially for the state, the parties shall enter into collective bargaining solely for the purpose of reaching a mutually agreed upon modification of the agreement necessary to address the absence of those requested funds. The legislature may act upon the compensation and fringe benefit provisions of the modified collective bargaining agreement if those provisions are agreed upon and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating budget by the sitting legislature.

(iii) In the case of a bargaining unit of employees of institutions of higher education in which the exclusive bargaining representative is certified during or after the conclusion of a legislative session, the legislature may act upon the compensation and fringe benefit provisions of the unit's initial collective bargaining agreement if those provisions are agreed upon and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating budget by the sitting legislature.

(5) ((There is hereby created a joint committee on employment relations, which consists of two members with leadership positions in the house of representatives, representing each of the two largest caucuses; the chair and ranking minority member of the house appropriations committee, or its successor, representing each of the two largest caucuses; two members with leadership positions in the senate, representing each of the two largest caucuses; and the chair and ranking minority member of the senate ways and means eommittee, or its successor, representing each of the two largest caucuses. The governor shall periodically consult with the committee regarding appropriations

necessary to implement the compensation and fringe benefit provisions in the master collective bargaining agreements, and upon completion of negotiations, advise the committee on the elements of the agreements and on any legislation necessary to implement the agreements.

(6))) If, after the compensation and fringe benefit provisions of an agreement are approved by the legislature, a significant revenue shortfall occurs resulting in reduced appropriations, as declared by proclamation of the governor or by resolution of the legislature, both parties shall immediately enter into collective bargaining for a mutually agreed upon modification of the agreement.

(((7))) (6) After the expiration date of a collective bargaining agreement negotiated under this chapter, all of the terms and conditions specified in the collective bargaining agreement remain in effect until the effective date of a subsequently negotiated agreement, not to exceed one year from the expiration date stated in the agreement. Thereafter, the employer may unilaterally implement according to law.

(((8))) (7) For the 2013-2015 fiscal biennium, a collective bargaining agreement related to employee health care benefits negotiated between the employer and coalition pursuant to RCW 41.80.020(3) regarding the dollar amount expended on behalf of each employee shall be a separate agreement for which the governor may request funds necessary to implement the agreement. The legislature may act upon a 2013-2015 collective bargaining agreement related to employee health care benefits if an agreement is reached and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating appropriations act by the sitting legislature.

(((9))) (8)(a) For the 2015-2017 fiscal biennium, the governor may request funds to implement:

(i) Modifications to collective bargaining agreements as set forth in a memorandum of understanding negotiated between the employer and the service employees international union healthcare 1199nw, an exclusive bargaining representative, that was necessitated by an emergency situation or an imminent jeopardy determination by the center for medicare and medicaid services that relates to the safety or health of the clients, employees, or both the clients and employees.

(ii) Unilaterally implemented modifications to collective bargaining agreements, resulting from the employer being prohibited from negotiating with an exclusive bargaining representative due to a pending representation petition, necessitated by an emergency situation or an imminent jeopardy determination by the center for medicare and medicaid services that relates to the safety or health of the clients, employees, or both the clients and employees.

(iii) Modifications to collective bargaining agreements as set forth in a memorandum of understanding negotiated between the employer and the union of physicians of Washington, an exclusive bargaining representative, that was necessitated by an emergency situation or an imminent jeopardy determination by the center for medicare and medicaid services that relates to the safety or health of the clients, employees, or both the clients and employees. If the memorandum of understanding submitted to the legislature as part of the governor's budget document is rejected by the legislature, and the parties reach a new memorandum of understanding by June 30, 2016, within the funds,

conditions, and limitations provided in section 204, chapter 36, Laws of 2016 sp. sess., the new memorandum of understanding shall be considered approved by the legislature and may be retroactive to December 1, 2015.

(iv) Modifications to collective bargaining agreements as set forth in a memorandum of understanding negotiated between the employer and the teamsters union local 117, an exclusive bargaining representative, for salary adjustments for the state employee job classifications of psychiatrist, psychiatric social worker(([,])), and psychologist.

(b) For the 2015-2017 fiscal biennium, the legislature may act upon the request for funds for modifications to a 2015-2017 collective bargaining agreement under (a)(i), (ii), (iii), and (iv) of this subsection if funds are requested by the governor before final legislative action on the supplemental omnibus appropriations act by the sitting legislature.

(c) The request for funding made under this subsection and any action by the legislature taken pursuant to this subsection is limited to the modifications described in this subsection and may not otherwise affect the original terms of the 2015-2017 collective bargaining agreement.

(d) ((Subsections [Subsection])) Subsection (3)(a) and (b) of this section do not apply to requests for funding made pursuant to this subsection.

Passed by the Senate June 29, 2017. Passed by the House June 29, 2017. Approved by the Governor July 6, 2017. Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 24**

[Senate Bill 5976]

HOME CARE SERVICES INDIVIDUAL PROVIDERS--OVERTIME PAY--EXTENSION

AN ACT Relating to wages or hours of individual providers; amending RCW 74.39A.270; and declaring an emergency.

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

**Sec. 1.** RCW 74.39A.270 and 2016 sp.s. c 30 s 1 are each amended to read as follows:

(1) Solely for the purposes of collective bargaining and as expressly limited under subsections (2) and (3) of this section, the governor is the public employer, as defined in chapter 41.56 RCW, of individual providers, who, solely for the purposes of collective bargaining, are public employees as defined in chapter 41.56 RCW. To accommodate the role of the state as payor for the community-based services provided under this chapter and to ensure coordination with state employee collective bargaining under chapter 41.80 RCW and the coordination necessary to implement RCW 74.39A.300, the public employer shall be represented for bargaining purposes by the governor or the governor's designee appointed under chapter 41.80 RCW. The governor or governor's designee shall periodically consult with the authority during the collective bargaining process to allow the authority to communicate issues relating to the long-term in-home care services received by consumers. The department shall solicit input from the developmental disabilities council, the governor's committee on disability issues and employment, the state council on aging, and other consumer advocacy

organizations to obtain informed input from consumers on their interests, including impacts on consumer choice, for all issues proposed for collective bargaining under subsections (5) and (6) of this section.

(2) Chapter 41.56 RCW governs the collective bargaining relationship between the governor and individual providers, except as otherwise expressly provided in this chapter and except as follows:

(a) The only unit appropriate for the purpose of collective bargaining under RCW 41.56.060 is a statewide unit of all individual providers;

(b) The showing of interest required to request an election under RCW 41.56.060 is ten percent of the unit, and any intervener seeking to appear on the ballot must make the same showing of interest;

(c) The mediation and interest arbitration provisions of RCW 41.56.430 through 41.56.470 and 41.56.480 apply, except that:

(i) With respect to commencement of negotiations between the governor and the bargaining representative of individual providers, negotiations shall be commenced by May 1st of any year prior to the year in which an existing collective bargaining agreement expires; and

(ii) The decision of the arbitration panel is not binding on the legislature and, if the legislature does not approve the request for funds necessary to implement the compensation and fringe benefit provisions of the arbitrated collective bargaining agreement, is not binding on the authority or the state;

(d) Individual providers do not have the right to strike; and

(e) Individual providers who are related to, or family members of, consumers or prospective consumers are not, for that reason, exempt from this chapter or chapter 41.56 RCW.

(3) Individual providers who are public employees solely for the purposes of collective bargaining under subsection (1) of this section are not, for that reason, employees of the state, its political subdivisions, or an area agency on aging for any purpose. Chapter 41.56 RCW applies only to the governance of the collective bargaining relationship between the employer and individual providers as provided in subsections (1) and (2) of this section.

(4) Consumers and prospective consumers retain the right to select, hire, supervise the work of, and terminate any individual provider providing services to them. Consumers may elect to receive long-term in-home care services from individual providers who are not referred to them by the authority.

(5) Except as expressly limited in this section and RCW 74.39A.300, the wages, hours, and working conditions of individual providers are determined solely through collective bargaining as provided in this chapter. Except as described in subsection (9) of this section, no agency or department of the state may establish policies or rules governing the wages or hours of individual providers. This subsection does not modify:

(a) The department's authority to establish a plan of care for each consumer or its core responsibility to manage long-term in-home care services under this chapter, including determination of the level of care that each consumer is eligible to receive. However, at the request of the exclusive bargaining representative, the governor or the governor's designee appointed under chapter 41.80 RCW shall engage in collective bargaining, as defined in RCW 41.56.030(4), with the exclusive bargaining representative over how the department's core responsibility affects hours of work for individual providers. This subsection shall not be interpreted to require collective bargaining over an individual consumer's plan of care;

(b)(i) The requirement that the number of hours the department may pay any single individual provider is limited to:

(A) Sixty hours each workweek if the individual provider was working an average number of hours in excess of forty hours for the workweeks during January 2016, except for fiscal years 2016 ((and)), 2017, and 2018, the limit is sixty-five hours each workweek; or

(B) Forty hours each workweek if the individual provider was not working an average number of hours in excess of forty hours for the workweeks during January 2016, or had no reported hours for the month of January 2016.

(ii) Additional hours may be authorized under criteria established by rules adopted by the department under subsection (9) of this section.

(iii) Additional hours may be authorized for required training under RCW 74.39A.074, 74.39A.076, and 74.39A.341.

(iv) An individual provider may appeal to the department for qualification for the hour limitation in (b)(i)(A) of this subsection if the average weekly hours the (( $\frac{\text{[individual]}}{\text{[individual]}}$ )) individual provider was working in January 2016 materially underrepresent the average weekly hours worked by the individual provider during the first three months of 2016.

(v) No individual provider is subject to the hour limitations in (b)(i)(A) of this subsection until the department has conducted a review of the plan of care for the consumers served by the (([individual])) individual provider. The department shall review plans of care expeditiously, starting with consumers connected with the most individual provider overtime;

(c) The requirement that the total number of additional hours in excess of forty hours authorized under (b) of this subsection and subsection (9) of this section are limited by the total hours as provided in subsection (10) of this section;

(d) The department's authority to terminate its contracts with individual providers who are not adequately meeting the needs of a particular consumer, or to deny a contract under RCW 74.39A.095(8);

(e) The consumer's right to assign hours to one or more individual providers consistent with the rules adopted under this chapter and his or her plan of care;

(f) The consumer's right to select, hire, terminate, supervise the work of, and determine the conditions of employment for each individual provider providing services to the consumer under this chapter;

(g) The department's obligation to comply with the federal medicaid statute and regulations and the terms of any community-based waiver granted by the federal department of health and human services and to ensure federal financial participation in the provision of the services; and

(h) The legislature's right to make programmatic modifications to the delivery of state services under this title, including standards of eligibility of consumers and individual providers participating in the programs under this title, and the nature of services provided. The governor shall not enter into, extend, or renew any agreement under this chapter that does not expressly reserve the legislative rights described in this subsection (5)(h).

(6) At the request of the exclusive bargaining representative, the governor or the governor's designee appointed under chapter 41.80 RCW shall engage in

collective bargaining, as defined in RCW 41.56.030(4), with the exclusive bargaining representative over employer contributions to the training partnership for the costs of: (a) Meeting all training and peer mentoring required under this chapter; and (b) other training intended to promote the career development of individual providers.

(7) The state, the department, the area agencies on aging, or their contractors under this chapter may not be held vicariously or jointly liable for the action or inaction of any individual provider or prospective individual provider, whether or not that individual provider or prospective individual provider was included on the referral registry or referred to a consumer or prospective consumer. The existence of a collective bargaining agreement, the placement of an individual provider on the referral registry, or the development or approval of a plan of care for a consumer who chooses to use the services of an individual provider and the provision of case management services to that consumer, by the department or an area agency on aging, does not constitute a special relationship with the consumer.

(8) Nothing in this section affects the state's responsibility with respect to unemployment insurance for individual providers. However, individual providers are not to be considered, as a result of the state assuming this responsibility, employees of the state.

(9) The department may not pay any single individual provider more than the hours listed in subsection (5)(b) of this section unless the department authorizes additional hours under criteria established by rule. The criteria must be limited in scope to reduce the state's exposure to payment of overtime, address travel time from worksite to worksite, and address the following needs of consumers:

(a) Ensuring that consumers are not at increased risk for institutionalization;

(b) When there is a limited number of (([individual])) individual providers within the geographic region of the consumer;

(c) When there is a limited number of (([individual])) individual providers available to support a consumer with complex medical and behavioral needs or specific language needs;

(d) Emergencies that could pose a health and safety risk for consumers; and

(e) Instances where the cost of the allowed hour is less than other alternatives to provide care to a consumer, distinct from any increased risk of institutionalization.

(10)(a) Each fiscal year, the department shall establish a spending plan and a system to monitor the authorization and cost of hours in excess of forty hours each workweek from subsections (5)(b) and (9) of this section beginning July 1, 2016, and each fiscal year thereafter. Expenditures for hours in excess of forty hours each workweek under subsections (5)(b) and (9) of this section shall not exceed 8.75 percent of the total average authorized personal care hours for the fiscal year as projected by the caseload forecast council. The caseload forecast council may adopt a temporary adjustment to the 8.75 percent of the total average hours projection for that fiscal year, up to a maximum of 10.0 percent, if it finds a higher percentage of overtime hours is necessitated by a shortage of individual providers to provide adequate client care, taking into consideration factors including the criteria in subsection (9) of this section. If the council elects

to temporarily increase the limit, it may do so only upon a majority vote of the council.

(b) The department also shall provide expenditure reports beginning September 1, 2016, and on a quarterly basis thereafter. If the department determines, based upon quarterly expenditure reports, that the annual expenditures will exceed the limitation established in (a) of this subsection, the department shall take those actions necessary to ensure compliance with the limitation.

(c) The spending plan and expenditure reports must be submitted to the legislative fiscal committees and the joint legislative-executive overtime oversight task force. The joint legislative-executive overtime oversight task force members are as follows:

(i) Two members from each of the two largest caucuses of the senate, appointed by the respective caucus leaders.

(ii) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives.

(iii) The governor shall appoint members representing the department of social and health services and the office of financial management.

(iv) The governor shall appoint two members representing individual providers and two members representing consumers receiving personal care or respite care services from an individual provider.

(d) The task force shall meet at least annually, but may meet more frequently as desired by the task force. The task force shall choose cochairs, one from among the legislative members and one from among the executive branch members.

(e) The department is authorized to adopt rules, including emergency rules under RCW 34.05.350, to implement this subsection.

<u>NEW SECTION.</u> Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate June 30, 2017.

Passed by the House June 30, 2017.

Approved by the Governor July 6, 2017.

Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 25**

# [Engrossed Senate Bill 5316]

PROVISIONS NOT NECESSARY FOR PUBLICATION

AN ACT Relating to the removal of provisions that are no longer necessary for continued publication in the Revised Code of Washington; amending RCW 43.88.0301, 43.320.017, 70.95.532, 80.01.080, 48.17.563, 48.18A.035, 48.25.140, 48.29.015, 48.31.115, 43.70.900, 29A.04.510, 35A.39.010, 44.05.080, 77.125.040, 47.06.110, 82.42.090, 82.80.070, 47.68.250, 47.68.250, 14.20.060, 82.44.190, and 43.84.092; reenacting and amending RCW 46.18.060; adding a new section to chapter 42.30 RCW; recodifying RCW 42.32.030; decodifying RCW 43.88.910, 43.105.902, 43.105.903, 43.320.012, 43.320.013, 43.320.014, 43.320.015, 43.320.016, 43.320.901, 15.15.900, 15.49.920, 15.49.950, 15.51.900, 15.54.930, 15.58.901, 15.58.943, 41.58.900, 41.58.901, 50.06.010, 50.13.010, 50.13.910, 50.38.900, 50.38.902, 50.60.902, 50.65.905, 50.70.902, 50.98.080, 69.50.545, 69.50.666, 69.50.607, 28A.315.075, 43.215.903, 43.215.905, 48.20.322, 48.23.520, 29A.04.903, 29A.04.905, 35.98.020, 35.98.050, 35A.90.030, 35A.90.040, 42.56.901, 42.56.902, 42.56.903, 71A.10.805, 10.77.900, 10.77.920, 10.77.930, 71.05.910,

71.05.930, 71.24.900, 71.34.901, 74.14B.900, 74.18.903, 5.45.920, 46.61.990, 77.15.902, 77.50.900, 77.65.900, 77.105.900, 43.31A.400, 43.63A.902, 43.63A.903, 43.41.035, 43.41.901, 43.41.940, 43.41.950, 43.41.981, and 43.88.910; repealing RCW 66.08.230, 66.08.250, 66.12.020, 69.50.1011, 28A.305.900, 28A.305.901, 28A.400.201, 28A.630.005, 70.945.05, 70.95H.005, 70.95H.005, 70.95H.010, 70.95H.030, 70.95H.040, 70.95H.050, 70.95H.900, 70.95N.270, 70.104.070, 70.104.090, 70.105A.035, 70.220.060, 80.36.901, 70.104.100, 30A.24.080, 31.04.185, 31.04.501, 31.45.095, 48.102.190, 35.13A.0301, 41.05.019, 41.05.230, 41.05.655, 70.22.005, 70.47A.010, 70.47A.020, 70.47A.030, 70.47A.040, 70.47A.050, 70.47A.060, 70.47A.070, 70.47A.080, 70.47A.090, 70.47A.100, 70.47A.110, 70.47A.901, 71.42.0190, 28B.65.080, 28B.65.020, 28B.65.900, 28B.65.905, 2.56.031, 10.77.810, 10.77.820, 71.24.055, 74.12.901, 74.12A.030, 74.13.017, 2.56.250, 9.04.040, 26.50.800, 43.31.830, 43.31.832, 43.31.834, 43.31.824, 43.31.800, 43.31.805, 43.31.810, 43.31.820, 43.31.830, 43.31.832, 43.31.833, 43.31.834, 43.31.840, 43.31.850, 43.31.805, 43.31.810, 47.01.141, 47.01.321, 47.01.350, 47.01.360, 47.01.400, 47.01.405, 47.01.406, 47.01.410, 47.01.418, 47.60.645, 47.78.010, 82.44.180, 82.80.040, 82.80.050, 82.80.050, 82.80.050, 82.14.046, and 82.50.510; repealing 2009 c 548 s 302 and 2010 c 236 s 6 (uncodified); providing an effective date; and providing an expiration date.

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

<u>NEW SECTION.</u> Sec. 1. RELATING TO ACCOUNTABILITY & REFORM. The following sections are decodified:

(1) RCW 43.88.910 (Effective date—1975 1st ex.s. c 293);

(2) RCW 43.105.902 (Effective date—1987 c 504);

(3) RCW 43.105.903 (Effective date—1999 c 285);

(4) RCW 43.320.012 (Department of general administration and department of licensing equipment, records, funds transferred);

(5) RCW 43.320.013 (Department of general administration and department of licensing civil service employees transferred);

(6) RCW 43.320.014 (Department of general administration or department of licensing rules, business, contracts, and obligations continued);

(7) RCW 43.320.015 (Department of general administration and department of licensing—Validity of acts);

(8) RCW 43.320.016 (Apportionment of budgeted funds); and

(9) RCW 43.320.901 (Implementation—1993 c 472).

Sec. 2. RCW 43.88.0301 and 2002 c 312 s 1 are each amended to read as follows:

RELATING TO ACCOUNTABILITY & REFORM.

(1) The office of financial management must include in its capital budget instructions, beginning with its instructions for the 2003-05 capital budget, a request for "yes" or "no" answers for the following additional informational questions from capital budget applicants for all proposed major capital construction projects valued over five million dollars and required to complete a predesign:

(a) For proposed capital projects identified in this subsection that are located in or serving city or county planning under RCW 36.70A.040:

(i) Whether the proposed capital project is identified in the host city or county comprehensive plan, including the capital facility plan, and implementing rules adopted under chapter 36.70A RCW;

(ii) Whether the proposed capital project is located within an adopted urban growth area:

(A) If at all located within an adopted urban growth area boundary, whether a project facilitates, accommodates, or attracts planned population and employment growth;

(B) If at all located outside an urban growth area boundary, whether the proposed capital project may create pressures for additional development;

(b) For proposed capital projects identified in this subsection that are requesting state funding:

(i) Whether there was regional coordination during project development;

(ii) Whether local and additional funds were leveraged;

(iii) Whether environmental outcomes and the reduction of adverse environmental impacts were examined.

(2) For projects subject to subsection (1) of this section, the office of financial management shall request the required information be provided during the predesign process of major capital construction projects to reduce long-term costs and increase process efficiency.

(3) The office of financial management, in fulfilling its duties under RCW 43.88.030(((3)))(5) to create a capital budget document, must take into account information gathered under subsections (1) and (2) of this section in an effort to promote state capital facility expenditures that minimize unplanned or uncoordinated infrastructure and development costs, support economic and quality of life benefits for existing communities, and support local government planning efforts.

(4) The office of community development must provide staff support to the office of financial management and affected capital budget applicants to help collect data required by subsections (1) and (2) of this section.

Sec. 3. RCW 43.320.017 and 1993 c 472 s 13 are each amended to read as follows:

SECTION 1 CONFORMING AMENDMENT.

Nothing contained in RCW 43.320.011 ((through 43.320.015)) may be construed to alter any existing collective bargaining unit or the provisions of any existing collective bargaining agreement until the expiration date of the current agreement or until the bargaining unit has been modified by action of the <u>Washington</u> personnel <u>resources</u> board as provided by law.

<u>NEW SECTION.</u> Sec. 4. RELATING TO AGRICULTURE, WATER & RURAL ECONOMIC DEVELOPMENT. The following sections are decodified:

(1) RCW 15.15.900 (Effective date—1997 c 176);

(2) RCW 15.49.920 (Effective date—1969 c 63);

(3) RCW 15.49.950 (Severability—1969 c 63);

(4) RCW 15.51.900 (Effective date—2007 c 181);

(5) RCW 15.54.930 (Effective date—1967 ex.s. c 22);

(6) RCW 15.58.900 (Effective date—1971 ex.s. c 190);

(7) RCW 15.58.901 (Effective date-2000 c 96); and

(8) RCW 15.58.943 (Effective date—2003 c 212).

<u>NEW SECTION.</u> Sec. 5. RELATING TO COMMERCE & LABOR. The following sections are decodified:

(1) RCW 41.58.900 (Effective dates—1975-'76 2nd ex.s. c 5);

(2) RCW 41.58.901 (Effective date—1975 1st ex.s. c 296 §§ 4, 6, and 8 through 39);

(3) RCW 50.06.010 (Purpose);

(4) RCW 50.13.010 (Legislative intent and recognition);

(5) RCW 50.13.910 (Legislative designation and placement);

(6) RCW 50.38.900 (Effective date—1982 c 43);

(7) RCW 50.38.902 (Effective date—1993 c 62);

(8) RCW 50.60.902 (Effective date—1983 c 207);

(9) RCW 50.65.905 (Effective date—1987 c 167);

(10) RCW 50.70.902 (Effective date—1991 c 315);

(11) RCW 50.98.080 (Effective date—1945 c 35);

(12) RCW 69.50.545 (Departments of social and health services, health— Adoption of rules for disbursement of marijuana excise taxes);

(13) RCW 69.50.606 (Repealers); and

(14) RCW 69.50.607 (Effective date—1971 ex.s. c 308).

<u>NEW SECTION.</u> Sec. 6. RELATING TO COMMERCE & LABOR. The following acts or parts of acts are each repealed:

(1) RCW 66.08.230 (Initial disbursement to wine commission— Repayment) and 1987 c 452 s 12;

(2) RCW 66.08.250 (Report on streamlining liquor tax collection) and 2013 c 95 s 2;

(3) RCW 66.12.020 (Sales of liquor to board) and 1933 ex.s. c 62 s 48; and

(4) RCW 69.50.1011 (Definition—Commission) and 2013 c 19 s 86.

<u>NEW SECTION.</u> Sec. 7. RELATING TO EARLY LEARNING & K-12 EDUCATION. The following sections are decodified:

(1) RCW 28A.315.075 (Effect of 1999 c 315—Existing provisions not affected);

(2) RCW 43.215.903 (Severability-1988 c 174); and

(3) RCW 43.215.905 (Effective date—2006 c 265).

<u>NEW SECTION.</u> Sec. 8. RELATING TO EARLY LEARNING & K-12 EDUCATION. The following acts or parts of acts are each repealed:

(1) RCW 28A.305.900 (Transfer of powers and duties—State board of education) and 2005 c 497 s 301;

(2) RCW 28A.305.901 (Transfer of powers and duties—Academic achievement and accountability commission) and 2005 c 497 s 302;

(3) RCW 28A.400.201 (Enhanced salary allocation model for educator development and certification—Technical working group—Report and recommendation) and 2016 c 162 s 4, 2011 1st sp.s. c 43 s 468, 2010 c 236 s 7, & 2009 c 548 s 601;

(4) RCW 28A.630.005 (Pilot project to assist school-age children in short-term foster care) and 2002 c 326 s 2;

(5) 2009 c 548 s 302 (uncodified); and

(6) 2010 c 236 s 6 (uncodified).

<u>NEW SECTION.</u> Sec. 9. RELATING TO ENERGY, ENVIRONMENT & TELECOMMUNICATIONS. The following acts or parts of acts are each repealed:

(1) RCW 70.94.505 (Woodsmoke emissions—Work group) and 2007 c 339 s 3;

(2) RCW 70.95H.005 (Finding) and 1991 c 319 s 201;

(3) RCW 70.95H.007 (Center created) and 1995 c 399 s 192 & 1991 c 319 s 202;

(4) RCW 70.95H.010 (Purpose—Market development defined) and 1991 c 319 s 203;

(5) RCW 70.95H.030 (Duties and responsibilities) and 2015 c 225 s 108, 1992 c 131 s 2, & 1991 c 319 s 205;

(6) RCW 70.95H.040 (Authority) and 1991 c 319 s 206;

(7) RCW 70.95H.050 (Funding) and 1995 c 399 s 194 & 1991 c 319 s 207;

(8) RCW 70.95H.900 (Termination) and 1991 c 319 s 209;

(9) RCW 70.95N.270 (Reports) and 2006 c 183 s 28;

(10) RCW 70.104.070 (Pesticide incident reporting and tracking review panel—Intent) and 1989 c 380 s 67;

(11) RCW 70.104.090 (Pesticide panel—Responsibilities) and 1991 c 3 s 364 & 1989 c 380 s 69;

(12) RCW 70.105A.035 (Revision of fees to provide a waste reduction and recycling incentive) and 1989 c 2 s 16;

(13) RCW 70.220.060 (Funding report required by April 30, 2007) and 2005 c 305 s 6; and

(14) RCW 80.36.901 (Legislative review of 1985 c 450—1989 c 101) and 1989 c 101 s 18 & 1985 c 450 s 44.

**Sec. 10.** RCW 70.95.532 and 2010 c 247 s 704 are each amended to read as follows:

RELATING TO ENERGY, ENVIRONMENT & TELECOMMUNICATIONS.

(1) All receipts from tire fees imposed under RCW 70.95.510, except as provided in subsection (2) of this section, must be deposited in the waste tire removal account created under RCW 70.95.521. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used for the cleanup of unauthorized waste tire piles and measures that prevent future accumulation of unauthorized waste tire piles.

(2) On September 1st of odd-numbered years, the state treasurer must transfer any cash balance in excess of one million dollars from the waste tire removal account created under RCW 70.95.521 to the motor vehicle account for the purpose of road wear related maintenance on state and local public highways.

(((3) During the 2009-2011 fiscal biennium, the legislature may transfer any eash balance in excess of one million dollars from the waste tire removal account to the motor vehicle account for the purpose of road wear-related maintenance on state and local public highways.))

Sec. 11. RCW 80.01.080 and 2010 1st sp.s. c 37 s 950 are each amended to read as follows:

RELATING TO ENERGY, ENVIRONMENT & TELECOMMUNICATIONS.

There is created in the state treasury a public service revolving fund. Regulatory fees payable by all types of public service companies shall be deposited to the credit of the public service revolving fund. Except for expenses payable out of the pipeline safety account, all expense of operation of the Washington utilities and transportation commission shall be payable out of the public service revolving fund.

((During the 2009-2011 fiscal biennium, the legislature may transfer from the public service revolving fund to the state general fund such amounts as reflect the excess fund balance of the fund.))

<u>NEW SECTION.</u> Sec. 12. SECTION 9 CONFORMING REPEALER. RCW 70.104.100 (Industrial insurance statutes not affected) and 1989 c 380 s 70 are each repealed.

<u>NEW SECTION.</u> Sec. 13. RELATING TO FINANCIAL INSTITUTIONS & INSURANCE. The following sections are decodified:

(1) RCW 48.20.322 (Effective date of standard provision and certain other sections—Five year period); and

(2) RCW 48.23.520 (Operative date of RCW 48.23.410 through 48.23.520).

<u>NEW SECTION.</u> Sec. 14. RELATING TO FINANCIAL INSTITUTIONS & INSURANCE. The following acts or parts of acts are each repealed:

(1) RCW 30A.24.080 (Securities in default ineligible) and 1955 c 33 s 30.24.080;

(2) RCW 31.04.185 (Repealed sections of law—Rules adopted under) and 1994 c 92 s 173 & 1991 c 208 s 19;

(3) RCW 31.04.501 (Implementation) and 2009 c 149 s 9;

(4) RCW 31.45.095 (Report by director—Contents) and 2009 c 510 s 7; and

(5) RCW 48.102.190 (Existing viatical settlement licenses—July 26, 2009) and 2009 c 104 s 22.

Sec. 15. RCW 48.17.563 and 1994 c 131 s 6 are each amended to read as follows:

RELATING TO FINANCIAL INSTITUTIONS & INSURANCE.

(1) The commissioner may require insurance education providers to furnish specific information regarding their curricula, faculty, methods of monitoring attendance, and other matters reasonably related to providing insurance education under this chapter. The commissioner may grant approvals to such providers who demonstrate the ability to conduct and certify completion of one or more courses satisfying the insurance education requirements of RCW 48.17.150.

(2) Provider and course approvals are valid for the time period established by the commissioner and shall expire if not timely renewed. Each provider shall pay the renewal fee set forth in RCW 48.14.010(1)(n).

(((3) In granting approvals for courses required by RCW 48.17.150(1)(d):

(a) The commissioner may require the availability of a licensed agent with appropriate experience on the premises whenever instruction is being offered; and

(b) The commissioner shall not deny approval to any provider on the grounds that the proposed method of education employs nontraditional teaching techniques, such as substituting taped lectures for live instruction, offering instruction without fixed schedules, or providing education at individual learning rates.))

Sec. 16. RCW 48.18A.035 and 2008 c 217 s 19 are each amended to read as follows:

RELATING TO FINANCIAL INSTITUTIONS & INSURANCE.

(((1))) Every individual variable contract issued shall have printed on its face or attached thereto a notice stating in substance that the policy owner shall be permitted to return the policy within ten days after it is received by the policy owner and to have the market value of the assets purchased by its premium, less taxes and investment brokerage commissions, if any, refunded, if, after examination of the policy, the policy owner is not satisfied with it for any reason. An additional ten percent penalty shall be added to any premium refund due which is not paid within thirty days of return of the policy to the insurer or insurance producer. If a policy owner pursuant to such notice returns the policy to the insurer at its home or branch office or to the insurance producer through whom it was purchased, it shall be void from the beginning and the parties shall be in the same position as if no policy had been issued.

 $(((2) \text{ No later than January 1, 2010, or when the insurer has used all of its existing paper variable contract forms which were in its possession on July 1, 2009, whichever is earlier, the notice required by subsection (1) of this section shall use the term insurance producer in place of agent.))$ 

Sec. 17. RCW 48.25.140 and 2008 c 217 s 33 are each amended to read as follows:

RELATING TO FINANCIAL INSTITUTIONS & INSURANCE.

(((1))) There shall be a provision that no insurance producer shall have the power or authority to waive, change, or alter any of the terms or conditions of any policy; except that, at the option of the insurer, the terms or conditions may be changed by an endorsement signed by a duly authorized officer of the insurer.

 $((\frac{2) \text{ No later than January 1, 2010, or when the insurer has used all of its existing paper industrial life insurance contract forms which were in its possession on July 1, 2009, whichever is earlier, the notice required by subsection (1) of this section shall use the term insurance producer in place of agent.))$ 

Sec. 18. RCW 48.29.015 and 2008 c 110 s 2 are each amended to read as follows:

RELATING TO FINANCIAL INSTITUTIONS & INSURANCE.

(1) A title insurance agent shall maintain records of its title orders sufficient to indicate the source of the title orders.

(2) Every title insurance agent shall file with the commissioner annually by March 15th of each year for the previous calendar year, unless the commissioner for good cause shown extends the time for filing, a report, on a form prescribed by the commissioner, setting forth:

(a) The names and addresses of those persons, if any, who have had a financial interest in the title insurance agent during the calendar year, who are known or reasonably believed by the title insurance agent to be producers of title business or associates of producers; and

(b) The percent of title orders originating from each person who owns, or had owned during the preceding calendar year, a financial interest in the title insurance agent.

(3) Each title insurance agent shall keep current the information required by that portion of the report required by subsection (2)(a) of this section by reporting all changes or additions within fifteen days after the end of the month in which it learns of each change or addition.

(4) Each title insurance agent shall file that portion of the report required by subsection (2)(a) of this section with its application for a license.

(((5) Each title insurance agent licensed on June 12, 2008, shall file the report required under this section within thirty days after June 12, 2008.))

Sec. 19. RCW 48.31.115 and 2005 c 432 s 2 are each amended to read as follows:

RELATING TO FINANCIAL INSTITUTIONS & INSURANCE.

(1) The persons entitled to protection under this section are:

(a) The commissioner and any other receiver or administrative supervisor responsible for conducting a delinquency proceeding under this chapter, including present and former commissioners, administrative supervisors, and receivers; and

(b) The commissioner's employees, meaning all present and former special deputies and assistant special deputies and special receivers and special administrative supervisors appointed by the commissioner and all persons whom the commissioner, special deputies, or assistant special deputies have employed to assist in a delinquency proceeding under this chapter. Attorneys, accountants, auditors, and other professional persons or firms who are retained as independent contractors, and their employees, are not considered employees of the commissioner for purposes of this section.

(2) The commissioner and the commissioner's employees are immune from suit and liability, both personally and in their official capacities, for a claim for damage to or loss of property or personal injury or other civil liability caused by or resulting from an alleged act or omission of the commissioner or an employee arising out of or by reason of his or her duties or employment. However, nothing in this subsection may be construed to hold the commissioner or an employee immune from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of the commissioner or an employee.

(3) If a legal action is commenced against the commissioner or an employee, whether against him or her personally or in his or her official capacity, alleging property damage, property loss, personal injury, or other civil liability caused by or resulting from an alleged act or omission of the commissioner or an employee arising out of or by reason of his or her duties or employment, the commissioner and any employee shall be indemnified from the assets of the insurer for all expenses, attorneys' fees, judgments, settlements, decrees, or amounts due and owing or paid in satisfaction of or incurred in the defense of the legal action unless it is determined upon a final adjudication on the merits that the alleged act or omission of the commissioner or employee giving rise to the claim did not arise out of or by reason of his or her duties or employment, or was caused by intentional or willful and wanton misconduct.

(a) Attorneys' fees and related expenses incurred in defending a legal action for which immunity or indemnity is available under this section shall be paid from the assets of the insurer, as they are incurred, in advance of the final disposition of such action upon receipt of an undertaking by or on behalf of the commissioner or employee to repay the attorneys' fees and expenses if it is ultimately determined upon a final adjudication on the merits and that the commissioner or employee is not entitled to immunity or indemnity under this section. (b) Any indemnification under this section is an administrative expense of the insurer.

(c) In the event of an actual or threatened litigation against the commissioner or an employee for which immunity or indemnity may be available under this section, a reasonable amount of funds that in the judgment of the commissioner may be needed to provide immunity or indemnity shall be segregated and reserved from the assets of the insurer as security for the payment of indemnity until all applicable statutes of limitation have run or all actual or threatened actions against the commissioner or an employee have been completely and finally resolved, and all obligations of the insurer and the commissioner under this section have been satisfied.

(d) In lieu of segregation and reserving of funds, the commissioner may obtain a surety bond or make other arrangements that will enable the commissioner to secure fully the payment of all obligations under this section.

(4) If a legal action against an employee for which indemnity may be available under this section is settled before final adjudication on the merits, the insurer shall pay the settlement amount on behalf of the employee, or indemnify the employee for the settlement amount, unless the commissioner determines:

(a) That the claim did not arise out of or by reason of the employee's duties or employment; or

(b) That the claim was caused by the intentional or willful and wanton misconduct of the employee.

(5) In a legal action in which the commissioner is a defendant, that portion of a settlement relating to the alleged act or omission of the commissioner is subject to the approval of the court before which the delinquency proceeding is pending. The court may not approve that portion of the settlement if it determines:

(a) That the claim did not arise out of or by reason of the commissioner's duties or employment; or

(b) That the claim was caused by the intentional or willful and wanton misconduct of the commissioner.

(6) Nothing in this section removes or limits an immunity, indemnity, benefit of law, right, or defense otherwise available to the commissioner, an employee, or any other person, not an employee under subsection (1)(b) of this section, who is employed by or in the office of the commissioner or otherwise employed by the state.

 $((\frac{7}{a})$  Subsection (2) of this section applies to any suit based in whole or in part on an alleged act or omission that takes place on or after July 25, 1993.

(b) No legal action lies against the commissioner or an employee based in whole or in part on an alleged act or omission that took place before July 25, 1993, unless suit is filed and valid service of process is obtained within twelve months after July 25, 1993.

(c) Subsections (3), (4), and (5) of this section apply to a suit that is pending on or filed after July 25, 1993, without regard to when the alleged act or omission took place.))

<u>NEW SECTION.</u> Sec. 20. RELATING TO GOVERNMENT OPERATIONS & SECURITY. The following sections are decodified:

(1) RCW 29A.04.903 (Effective date—2003 c 111);

(2) RCW 29A.04.905 (Effective date—2004 c 271);

(3) RCW 35.98.020 (Title, chapter, section headings not part of law);

(4) RCW 35.98.050 (Emergency—1965 c 7);

(5) RCW 35A.90.030 (Title, chapter, section headings not part of law);

(6) RCW 35A.90.040 (Effective date—1967 ex.s. c 119);

(7) RCW 42.56.901 (Part headings not law-2005 c 274);

(8) RCW 42.56.902 (Effective date—2005 c 274); and

(9) RCW 42.56.903 (Effective date—2006 c 209).

<u>NEW SECTION.</u> Sec. 21. RELATING TO GOVERNMENT OPERATIONS & SECURITY. RCW 35.13A.0301 (Assumption of water-sewer district before July 1, 1999—Limitations) and 1998 c 326 s 3 are each repealed.

<u>NEW SECTION.</u> Sec. 22. RELATING TO HEALTH CARE. RCW 71A.10.805 (Headings in Title 71A RCW not part of law) is decodified.

<u>NEW SECTION.</u> Sec. 23. RELATING TO HEALTH CARE. The following acts or parts of acts are each repealed:

(1) RCW 41.05.019 (Direct patient-provider primary care practices—Plan) and 2011 1st sp.s. c 8 s 2;

(2) RCW 41.05.230 (Multicultural health care technical assistance program) and 1993 c 492 s 272;

(3) RCW 41.05.655 (School district health benefits—Reports) and 2012 2nd sp.s. c 3 s 6;

(4) RCW 70.22.005 (Transfer of duties to the department of health) and 1989 1st ex.s. c 9 s 246;

(5) RCW 70.47A.010 (Finding—Intent) and 2007 c 260 s 1 & 2006 c 255 s 1;

(6) RCW 70.47A.020 (Definitions) and 2011 c 287 s 1, 2008 c 143 s 1, 2007 c 260 s 2, & 2006 c 255 s 2;

(7) RCW 70.47A.030 (Health insurance partnership established— Administrator duties) and 2011 c 287 s 2, 2009 c 257 s 1, 2008 c 143 s 2, 2007 c 259 s 58, & 2006 c 255 s 3;

(8) RCW 70.47A.040 (Applications for premium subsidies) and 2009 c 257 s 2, 2008 c 143 s 3, 2007 c 260 s 6, & 2006 c 255 s 4;

(9) RCW 70.47A.050 (Enrollment to remain within appropriation) and 2011 c 287 s 3, 2007 c 260 s 12, & 2006 c 255 s 5;

(10) RCW 70.47A.060 (Rules) and 2007 c 260 s 13 & 2006 c 255 s 6;

(11) RCW 70.47A.070 (Reports) and 2009 c 257 s 3, 2008 c 143 s 4, & 2006 c 255 s 7;

(12) RCW 70.47A.080 (Health insurance partnership account) and 2007 c 260 s 14 & 2006 c 255 s 8;

(13) RCW 70.47A.090 (State children's health insurance program—Federal waiver request) and 2006 c 255 s 9;

(14) RCW 70.47A.100 (Health insurance partnership board) and 2007 c 260 s 4;

(15) RCW 70.47A.110 (Health insurance partnership board—Duties) and 2011 c 287 s 4, 2008 c 143 s 5, & 2007 c 260 s 5;

(16) RCW 70.47A.901 (Construction—Chapter applicable to state registered domestic partnerships—2009 c 521) and 2009 c 521 s 152; and

(17) RCW 71A.20.190 (Developmental disability service system task force) and 2015 c 225 s 111 & 2011 1st sp.s. c 30 s 8.

Sec. 24. RCW 43.70.900 and 2015 1st sp.s. c 4 s 31 are each amended to read as follows:

SECTION 23 CONFORMING AMENDMENT.

All references to the secretary or department of social and health services in the Revised Code of Washington shall be construed to mean the secretary or department of health when referring to the functions transferred in RCW 43.70.080, 18.104.005, 70.08.005, ((70.22.005,)) 70.24.005, 70.40.005, 70.41.005, and 70.54.005.

<u>NEW SECTION.</u> Sec. 25. RELATING TO HIGHER EDUCATION. The following acts or parts of acts are each repealed:

(1) RCW 28B.65.010 (Legislative findings) and 1983 1st ex.s. c 72 s 2;

(2) RCW 28B.65.020 (Definitions) and 1983 1st ex.s. c 72 s 3;

(3) RCW 28B.65.030 (Washington state high-technology education and training program established—Goals) and 1983 1st ex.s. c 72 s 4;

(4) RCW 28B.65.040 (Washington high-technology coordinating board created—Members—Travel expenses) and 2012 c 229 s 539 & 1995 c 399 s 29;

(5) RCW 28B.65.050 (Board—Duties—Rules—Termination of board) and 2012 c 229 s 540, 1998 c 245 s 22, & 1995 c 399 s 30;

(6) RCW 28B.65.060 (Board—Staff support) and 1995 c 399 s 31, 1985 c 381 s 3, & 1983 1st ex.s. c 72 s 7;

(7) RCW 28B.65.070 (Board—Solicitation of private and federal support, gifts, conveyances, etc.) and 1983 1st ex.s. c 72 s 8;

(8) RCW 28B.65.080 (Consortium and baccalaureate degree training programs—Board recommendations—Requirements—Coordination) and 1983 1st ex.s. c 72 s 9;

(9) RCW 28B.65.110 (Statewide off-campus telecommunications system— Establishment by Washington State University for education in high-technology fields);

(10) RCW 28B.65.900 (Short title—1983 1st ex.s. c 72) and 1983 1st ex.s. c 72 s 1; and

(11) RCW 28B.65.905 (Effective date—1983 1st ex.s. c 72) and 1983 1st ex.s. c 72 s 18.

<u>NEW SECTION.</u> Sec. 26. RELATING TO HUMAN SERVICES, MENTAL HEALTH & HOUSING. The following sections are decodified:

(1) RCW 10.77.900 (Savings—Construction—1973 1st ex.s. c 117);

(2) RCW 10.77.920 (Chapter successor to chapter 10.76 RCW);

(3) RCW 10.77.930 (Effective date—1973 1st ex.s. c 117);

(4) RCW 71.05.910 (Construction—1973 1st ex.s. c 142);

(5) RCW 71.05.920 (Section headings not part of the law);

(6) RCW 71.05.930 (Effective date—1973 1st ex.s. c 142);

(7) RCW 71.24.900 (Effective date—1967 ex.s. c 111);

(8) RCW 71.34.901 (Effective date—1985 c 354);

(9) RCW 74.14B.900 (Captions); and

(10) RCW 74.18.903 (Effective dates—1983 c 194).

<u>NEW SECTION.</u> Sec. 27. RELATING TO HUMAN SERVICES, MENTAL HEALTH & HOUSING. The following acts or parts of acts are each repealed: (1) RCW 2.56.031 (Juvenile offender information—Plan) and 2010 1st sp.s. c 7 s 61 & 1993 c 415 s 2;

(2) RCW 10.77.810 (Joint legislative audit and review committee assessment—Report) and 2012 c 256 s 9;

(3) RCW 10.77.820 (Washington state institute for public policy study—Report) and 2012 c 256 s 10;

(4) RCW 71.24.055 (Children's mental health services—Children's access to care standards and benefit package—Recommendations to legislature) and 2014 c 225 s 47 & 2007 c 359 s 4;

(5) RCW 74.12.901 (Federal waivers and legislation—1994 c 299) and 1994 c 299 s 39;

(6) RCW 74.12A.030 (Federal waiver—Governor to seek) and 1993 c 312 s 12; and

(7) RCW 74.13.017 (Accreditation—Completion date) and 2003 c 207 s 8 & 2001 c 265 s 2.

<u>NEW SECTION.</u> Sec. 28. RELATING TO LAW & JUSTICE. The following sections are decodified:

(1) RCW 5.45.920 (Repeal of inconsistent provisions); and

(2) RCW 46.61.990 (Recodification of sections—Organization of chapter—Construction).

<u>NEW SECTION.</u> Sec. 29. RELATING TO LAW & JUSTICE. The following acts or parts of acts are each repealed:

(1) RCW 2.56.250 (Revocation of concealed pistol licenses—Information transmittal—Work group) and 2010 c 274 s 601;

(2) RCW 9.04.040 (Advertising cures of lost sexual potency-Evidence) and 1921 c 168 s 2; and

(3) RCW 26.50.800 (Recidivism study) and 2012 c 223 s 10.

<u>NEW SECTION.</u> Sec. 30. RELATING TO LAW & JUSTICE. RCW 42.32.030 is recodified as a section in chapter 42.30 RCW.

Sec. 31. RCW 29A.04.510 and 2003 c 111 s 149 are each amended to read as follows:

SECTION 30 CONFORMING AMENDMENT.

(1) The Washington state election administration and certification board is established and has the responsibilities and authorities prescribed by this chapter. The board is composed of the following members:

(a) The secretary of state or the secretary's designee;

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

(c) Four county auditors appointed by the Washington state association of county auditors or their alternates who are county auditors designated by the association to serve as such alternates, each appointee and alternate to serve at the pleasure of the association;

(d) One member from each of the two largest political party caucuses of the house of representatives designated by and serving at the pleasure of the legislative leader of the respective caucus;

(e) One member from each of the two largest political party caucuses of the senate designated by and serving at the pleasure of the legislative leader of the respective caucus; and

(f) One representative from each major political party, designated by and serving at the pleasure of the chair of the party's state central committee.

(2) The board shall elect a chair from among its number; however, neither the secretary of state nor the state director of elections nor their designees may serve as the chair of the board. A majority of the members appointed to the board constitutes a quorum for conducting the business of the board. Chapter 42.30 RCW, the Open Public Meetings Act, and RCW 42.32.030 (as recodified by this act) regarding minutes of meetings, apply to the meetings of the board.

(3) Members of the board shall serve without compensation. The secretary of state shall reimburse members of the board, other than those who are members of the legislature, for travel expenses in accordance with RCW 43.03.050 and 43.03.060. Members of the board who are members of the legislature shall be reimbursed as provided in chapter 44.04 RCW.

Sec. 32. RCW 35A.39.010 and 1995 c 21 s 2 are each amended to read as follows:

SECTION 30 CONFORMING AMENDMENT.

Every code city shall keep a journal of minutes of its legislative meetings with orders, resolutions and ordinances passed, and records of the proceedings of any city department, division or commission performing quasi-judicial functions as required by ordinances of the city and general laws of the state and shall keep such records open to the public as required by RCW 42.32.030 (as recodified by this act) and shall keep and preserve all public records and publications or reproduce and destroy the same as provided by Title 40 RCW. Each code city may duplicate and sell copies of its ordinances at fees reasonably calculated to defray the cost of such duplication and handling.

Sec. 33. RCW 44.05.080 and 2011 c 60 s 42 are each amended to read as follows:

SECTION 30 CONFORMING AMENDMENT.

In addition to other duties prescribed by law, the commission shall:

(1) Adopt rules pursuant to the Administrative Procedure Act, chapter 34.05 RCW, to carry out the provisions of Article II, section 43 of the state Constitution and of this chapter, which rules shall provide that three voting members of the commission constitute a quorum to do business, and that the votes of three of the voting members are required for any official action of the commission;

(2) Act as the legislature's recipient of the final redistricting data and maps from the United States Bureau of the Census;

(3) Comply with requirements to disclose and preserve public records as specified in chapters 40.14 and 42.56 RCW;

(4) Hold open meetings pursuant to the open public meetings act, chapter 42.30 RCW;

(5) Prepare and disclose its minutes pursuant to RCW 42.32.030 (as recodified by this act);

(6) Be subject to the provisions of RCW 42.17A.700;

(7) Prepare and publish a report with the plan; the report will be made available to the public at the time the plan is published. The report will include but will not be limited to: (a) The population and percentage deviation from the average district population for every district; (b) an explanation of the criteria used in developing the plan with a justification of any deviation in a district from the average district population; (c) a map of all the districts; and (d) the estimated cost incurred by the counties for adjusting precinct boundaries.

<u>NEW SECTION.</u> Sec. 34. RELATING TO NATURAL RESOURCES & PARKS. The following sections are decodified:

(1) RCW 77.15.902 (Savings—1998 c 190);

(2) RCW 77.50.900 (Purpose—2000 c 107);

(3) RCW 77.65.900 (Effective date—1989 c 316); and

(4) RCW 77.105.900 (Effective date—1993 sp.s. c 2 §§ 7, 60, 80, and 82-100).

<u>NEW SECTION.</u> Sec. 35. RELATING TO NATURAL RESOURCES & PARKS. The following acts or parts of acts are each repealed:

(1) RCW 43.30.8351 (Progress report) and 2009 c 163 s 3;

(2) RCW 76.01.080 (Lacey compound—Light industrial facilities/land—Sale or exchange) and 2001 c 189 s 1;

(3) RCW 76.01.090 (Proposal for exchange or sale—Lacey compound site) and 2001 c 189 s 2;

(4) RCW 76.09.380 (Report to the legislature—Emergency rules—Permanent rules) and 1999 sp.s. c 4 s 205;

(5) RCW 77.12.605 (Whidbey Island game farm—Sale of property) and 1999 c 205 s 1;

(6) RCW 77.12.710 (Game fish production—Double by year 2000) and 1998 c 245 s 159, 1995 c 399 s 208, 1993 sp.s. c 2 s 70, & 1990 c 110 s 2;

(7) RCW 79A.20.005 (Findings) and 1992 c 153 s 2;

(8) RCW 79A.20.010 (Definitions) and 1992 c 153 s 3;

(9) RCW 79A.20.030 (Allocation and distribution of moneys) and 1994 c 264 s 30 & 1992 c 153 s 5; and

(10) RCW 79A.20.900 (Short title) and 1992 c 153 s 1.

Sec. 36. RCW 77.125.040 and 2001 c 86 s 4 are each amended to read as follows:

RELATING TO NATURAL RESOURCES & PARKS.

Rules to implement this chapter shall be adopted no sooner than thirty days following the end of the 2002 regular legislative session. ((The director shall provide a written report to the appropriate legislative committees by January 1, 2003, on the progress of the program.))

<u>NEW SECTION.</u> Sec. 37. RELATING TO TRADE & ECONOMIC DEVELOPMENT. The following sections are decodified:

(1) RCW 43.31A.400 (Economic assistance authority abolished—Transfer of duties to department of revenue);

(2) RCW 43.63A.902 (Headings-1984 c 125); and

(3) RCW 43.63A.903 (Effective date—1984 c 125).

<u>NEW SECTION.</u> Sec. 38. RELATING TO TRADE & ECONOMIC DEVELOPMENT. The following acts or parts of acts are each repealed:

(1) RCW 43.31.088 (Business assistance center—ISO-9000 quality standards) and 1994 c 140 s 2;

(2) RCW 43.31.522 (Marketplace program—Definitions) and 2009 c 565 s 29, 2005 c 136 s 17, 1993 c 280 s 46, 1990 c 57 s 2, & 1989 c 417 s 2;

(3) RCW 43.31.524 (Marketplace program—Generally) and 1993 c 280 s 47, 1990 c 57 s 3, & 1989 c 417 s 3;

(4) RCW 43.31.800 (State international trade fairs—"Director" defined) and 2009 c 565 s 30, 1993 c 280 s 52, 1987 c 195 s 4, & 1965 c 148 s 2;

(5) RCW 43.31.805 (State trade fair fund) and 1998 c 345 s 3;

(6) RCW 43.31.810 (State international trade fairs—State aid eligibility requirements) and 1987 c 195 s 5, 1975 1st ex.s. c 292 s 3, & 1965 c 148 s 3;

(7) RCW 43.31.820 (State international trade fairs—Application for funds) and 1987 c 195 s 6, 1975 1st ex.s. c 292 s 4, & 1965 c 148 s 4;

(8) RCW 43.31.830 (State international trade fairs—Certification of fairs— Allotments—Division and payment from state trade fair fund) and 1993 c 280 s 53, 1987 c 195 s 7, 1975 1st ex.s. c 292 s 5, & 1965 c 148 s 5;

(9) RCW 43.31.832 (State trade fairs—Transfer of surplus funds in state trade fair fund to general fund—Expenditure) and 1985 c 466 s 34, 1981 2nd ex.s. c 2 s 1, 1975 1st ex.s. c 292 s 8, & 1972 ex.s. c 93 s 2;

(10) RCW 43.31.833 (State trade fairs—Transfer of surplus funds in state trade fair fund to general fund—Construction) and 1987 c 195 s 8, 1985 c 466 s 35, & 1972 ex.s. c 93 s 3;

(11) RCW 43.31.834 (State trade fairs—Transfer of surplus funds in state trade fair fund to general fund—Construction) and 1985 c 466 s 36 & 1972 ex.s. c 93 s 4;

(12) RCW 43.31.840 (State international trade fairs—Post audit of participating fairs—Reports) and 1993 c 280 s 54, 1975 1st ex.s. c 292 s 6, & 1965 c 148 s 6;

(13) RCW 43.31.850 (State international trade fairs—State international trade fair defined) and 1987 c 195 s 9, 1975 1st ex.s. c 292 s 7, & 1965 c 148 s 8;

(14) RCW 43.374.005 (Finding—Intent—Purpose) and 2010 1st sp.s. c 13 s 1; and

(15) RCW 43.374.020 (Washington global health technologies and product development account) and 2010 1st sp.s. c 13 s 3.

<u>NEW SECTION.</u> Sec. 39. RELATING TO TRANSPORTATION. The following acts or parts of acts are each repealed:

(1) RCW 47.01.141 (Biennial report) and 1987 c 505 s 49, 1984 c 7 s 75, 1977 c 75 s 68, & 1973 2nd ex.s. c 12 s 1;

(2) RCW 47.01.321 (Skills bank—Report) and 2003 c 363 s 203;

(3) RCW 47.01.350 (Ferry grant program) and 2008 c 45 s 1, 2007 c 223 s 2, & 2006 c 332 s 4;

(4) RCW 47.01.360 (Backup plan for passenger-only ferry service between Vashon and Seattle) and 2006 c 332 s 6;

(5) RCW 47.01.400 (Alaskan Way viaduct, Seattle Seawall, and state route No. 520 improvements—Expert review panel—Governor's finding) and 2006 c 311 s 28;

(6) RCW 47.01.405 (State route No. 520 improvements—Project impact plan—Mediator, duties) and 2007 c 517 s 2;

(7) RCW 47.01.406 (State route No. 520 improvements—Review of project design plans—Goals) and 2007 c 517 s 3;

(8) RCW 47.01.410 (State route No. 520 improvements—Multimodal transportation plan) and 2007 c 517 s 6;

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(9) RCW 47.01.418 (State route No. 520 improvements—Work group, subgroups—Corridor projects) and 2009 c 472 s 3;

(10) RCW 47.60.645 (Passenger ferry account) and 2009 c 8 s 504, 2008 c 45 s 2, 2006 c 332 s 1, & 1995 2nd sp.s. c 14 s 558;

(11) RCW 47.78.010 (High capacity transportation account) and 1997 c 457 s 513, 1991 sp.s. c 13 ss 66, 121, 1990 c 43 s 47, & 1987 c 428 s 1;

(12) RCW 82.44.180 (Transportation fund—Deposits and distributions) and 2013 c 251 s 9;

(13) RCW 82.80.040 (Street utility—Establishment) and 1991 c 141 s 1;

(14) RCW 82.80.050 (Street utility—Charges, credits) and 2006 c 301 s 5, 2000 c 103 s 21, & 1991 c 141 s 2; and

(15) RCW 82.80.060 (Use of other proceeds by utility) and 1991 c 141 s 3.

**Sec. 40.** RCW 46.18.060 and 2016 c 36 s 4, 2016 c 16 s 4, and 2016 c 15 s 4 are each reenacted and amended to read as follows:

RELATING TO TRANSPORTATION.

(1) The department must review and either approve or reject special license plate applications submitted by sponsoring organizations.

(2) Duties of the department include, but are not limited to, the following:

(a) Review and approve the annual financial reports submitted by sponsoring organizations with active special license plate series and present those annual financial reports to the joint transportation committee;

(b) Report annually to the joint transportation committee on the special license plate applications that were considered by the department;

(c) Issue approval and rejection notification letters to sponsoring organizations, the executive committee of the joint transportation committee, and the legislative sponsors identified in each application. The letters must be issued within seven days of making a determination on the status of an application; and

(d) Review annually the number of plates sold for each special license plate series created after January 1, 2003. The department may submit a recommendation to discontinue a special plate series to the executive committee of the joint transportation committee.

(((3) In order to assess the effects and impact of the proliferation of special license plates, the legislature declares a temporary moratorium on the issuance of any additional plates until July 1, 2015. During this period of time, the department is prohibited from accepting, reviewing, processing, or approving any applications. Additionally, a special license plate may not be enacted by the legislature during the moratorium, unless the proposed license plate has been approved by the former special license plate review board before February 15, 2005.

(4) The limitations under subsection (3) of this section do not apply to the following special license plates:

(a) 4-H license plates created under RCW 46.18.200;

(b) Breast cancer awareness license plates created under RCW 46.18.200;

(c) Gold star license plates created under RCW 46.18.245;

(d) Music Matters license plates created under RCW 46.18.200;

(e) Seattle Seahawks license plates created under RCW 46.18.200;

(f) Seattle Sounders FC license plates created under RCW 46.18.200;

(g) Seattle University license plates created under RCW 46.18.200;

(h) State flower license plates created under RCW 46.18.200;

(i) Volunteer firefighter license plates created under RCW 46.18.200;

(j) Washington farmers and ranchers license plates created under RCW 46.18.200;

(k) Washington state wrestling license plates created under RCW 46.18.200;

(1) Washington tennis license plates created under RCW 46.18.200.))

Sec. 41. RCW 47.06.110 and 2005 c 319 s 124 are each amended to read as follows:

SECTION 39 CONFORMING AMENDMENT.

The state-interest component of the statewide multimodal transportation plan shall include a state public transportation plan that:

(1) Articulates the state vision of an interest in public transportation and provides quantifiable objectives, including benefits indicators;

(2) Identifies the goals for public transit and the roles of federal, state, regional, and local entities in achieving those goals;

(3) Recommends mechanisms for coordinating state, regional, and local planning for public transportation;

(4) Recommends mechanisms for coordinating public transportation with other transportation services and modes;

(5) Recommends criteria, consistent with the goals identified in subsection (2) of this section ((and with RCW 82.44.180 (2) and (3))), for existing federal authorizations administered by the department to transit agencies; and

(6) Recommends a statewide public transportation facilities and equipment management system as required by federal law.

In developing the state public transportation plan, the department shall involve local jurisdictions, public and private providers of transportation services, nonmotorized interests, and state agencies with an interest in public transportation, including but not limited to the departments of ((community, trade, and economic development)) commerce, social and health services, and ecology, the office of the superintendent of public instruction, the office of the governor, and the office of financial management.

The department shall submit to the senate and house transportation committees by December 1st of each year, reports summarizing the plan's progress.

Sec. 42. RCW 82.42.090 and 1995 c 170 s 1 are each amended to read as follows:

SECTION 39 CONFORMING AMENDMENT.

All moneys collected by the director from the aircraft fuel excise tax as provided in RCW 82.42.020 shall be transmitted to the state treasurer and shall be credited to the aeronautics account hereby created in the ((transportation fund of the)) state treasury. Moneys collected from the consumer or user of aircraft fuel from either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020 shall be transmitted to the state treasurer and credited to the state general fund.

Sec. 43. RCW 82.80.070 and 2005 c 319 s 139 are each amended to read as follows:

SECTION 39 CONFORMING AMENDMENT.

(1) The proceeds collected pursuant to the exercise of the local option authority of RCW 82.80.010((;)) and 82.80.030((; and <math>82.80.050))) (hereafter called "local option transportation revenues") shall be used for transportation purposes only, including but not limited to the following: The operation and preservation of roads, streets, and other transportation improvements; new construction, reconstruction, and expansion of city streets, county roads, and state highways and other transportation improvements; development and implementation of public transportation and high capacity transit improvements and programs; and planning, design, and acquisition of right-of-way and sites for such transportation purposes. The proceeds collected from excise taxes on the sale, distribution, or use of motor vehicle fuel and special fuel under RCW 82.80.010 shall be used exclusively for "highway purposes" as that term is construed in Article II, section 40 of the state Constitution.

(2) The local option transportation revenues shall be expended for transportation uses consistent with the adopted transportation and land use plans of the jurisdiction expending the funds and consistent with any applicable and adopted regional transportation plan for metropolitan planning areas.

(3) Each local government with a population greater than eight thousand that levies or expends local option transportation funds, is also required to develop and adopt a specific transportation program that contains the following elements:

(a) The program shall identify the geographic boundaries of the entire area or areas within which local option transportation revenues will be levied and expended.

(b) The program shall be based on an adopted transportation plan for the geographic areas covered and shall identify the proposed operation and construction of transportation improvements and services in the designated plan area intended to be funded in whole or in part by local option transportation revenues and shall identify the annual costs applicable to the program.

(c) The program shall indicate how the local transportation plan is coordinated with applicable transportation plans for the region and for adjacent jurisdictions.

(d) The program shall include at least a six-year funding plan, updated annually, identifying the specific public and private sources and amounts of revenue necessary to fund the program. The program shall include a proposed schedule for construction of projects and expenditure of revenues. The funding plan shall consider the additional local tax revenue estimated to be generated by new development within the plan area if all or a portion of the additional revenue is proposed to be earmarked as future appropriations for transportation improvements in the program.

(4) Local governments with a population greater than eight thousand exercising the authority for local option transportation funds shall periodically review and update their transportation program to ensure that it is consistent with applicable local and regional transportation and land use plans and within the means of estimated public and private revenue available.

(5) In the case of expenditure for new or expanded transportation facilities, improvements, and services, priorities in the use of local option transportation revenues shall be identified in the transportation program and expenditures shall be made based upon the following criteria, which are stated in descending order of weight to be attributed:

(a) First, the project serves a multijurisdictional function;

(b) Second, it is necessitated by existing or reasonably foreseeable congestion;

(c) Third, it has the greatest person-carrying capacity;

(d) Fourth, it is partially funded by other government funds, such as from the state transportation improvement board, or by private sector contributions, such as those from the local transportation act, chapter 39.92 RCW; and

(e) Fifth, it meets such other criteria as the local government determines is appropriate.

(6) It is the intent of the legislature that as a condition of levying, receiving, and expending local option transportation revenues, no local government agency use the revenues to replace, divert, or loan any revenues currently being used for transportation purposes to nontransportation purposes.

(7) Local governments are encouraged to enter into interlocal agreements to jointly develop and adopt with other local governments the transportation programs required by this section for the purpose of accomplishing regional transportation planning and development.

(8) Local governments may use all or a part of the local option transportation revenues for the amortization of local government general obligation and revenue bonds issued for transportation purposes consistent with the requirements of this section.

(9) Subsections (1) through (8) of this section do not apply to a regional transportation investment district imposing a tax or fee under the local option authority of this chapter. Proceeds collected under the exercise of local option authority under this chapter by a district must be used in accordance with chapter 36.120 RCW.

Sec. 44. RCW 47.68.250 and 2016 c 20 s 3 are each amended to read as follows:

SECTION 39 CONFORMING AMENDMENT.

(1) Every aircraft must be registered with the department for each calendar year in which the aircraft is operated or is based within this state. A fee of fifteen dollars is charged for each such registration and each annual renewal thereof.

(2) Possession of the appropriate effective federal certificate, permit, rating, or license relating to ownership and airworthiness of the aircraft, and payment of the excise tax imposed by Title 82 RCW for the privilege of using the aircraft within this state during the year for which the registration is sought, and payment of the registration fee required by this section are the only requisites for registration of an aircraft under this section.

(3) The registration fee imposed by this section is payable to and collected by the secretary. The fee for any calendar year must be paid during the month of January, and must be collected by the secretary at the time of the collection by him or her of the excise tax. If the secretary is satisfied that the requirements for registration of the aircraft have been met, he or she must issue to the owner of the aircraft a certificate of registration therefor. The secretary must pay to the state treasurer the registration fees collected under this section, which registration fees must be credited to the aeronautics account ((in the transportation fund)). (4) It is not necessary for the registrant to provide the secretary with originals or copies of federal certificates, permits, ratings, or licenses. The secretary must issue certificates of registration, or such other evidences of registration or payment of fees as he or she may deem proper; and in connection therewith may prescribe requirements for the possession and exhibition of such certificates or other evidences.

(5) The provisions of this section do not apply to:

(a) An aircraft owned by and used exclusively in the service of any government or any political subdivision thereof, including the government of the United States, any state, territory, or possession of the United States, or the District of Columbia, which is not engaged in carrying persons or property for commercial purposes;

(b) An aircraft registered under the laws of a foreign country;

(c) An aircraft that is owned by a nonresident if:

(i) The aircraft remains in this state or is based in this state, or both, for a period less than ninety days; or

(ii) The aircraft is a large private airplane as defined in RCW 82.08.215 and remains in this state for a period of ninety days or longer, but only when:

(A) The airplane is in this state exclusively for the purpose of repairs, alterations, or reconstruction, including any flight testing related to the repairs, alterations, or reconstruction, or for the purpose of continual storage of not less than one full calendar year;

(B) An employee of the facility providing these services is on board the airplane during any flight testing; and

(C) Within ninety days of the date the airplane first arrived in this state during the calendar year, the nonresident files a written statement with the department indicating that the airplane is exempt from registration under this subsection (5)(c)(i). The written statement must be filed in a form and manner prescribed by the department and must include such information as the department requires. The department may require additional periodic verification that the airplane remains exempt from registration under this subsection (5)(c)(i) and that written statements conform with the provisions of RCW 9A.72.085;

(d) An aircraft engaged principally in commercial flying constituting an act of interstate or foreign commerce;

(e) An aircraft owned by the commercial manufacturer thereof while being operated for test or experimental purposes, or for the purpose of training crews for purchasers of the aircraft;

(f) An aircraft being held for sale, exchange, delivery, test, or demonstration purposes solely as stock in trade of an aircraft dealer licensed under Title 14 RCW; and

(g) An aircraft based within the state that is in an unairworthy condition, is not operated within the registration period, and has obtained a written exemption issued by the secretary.

(6) The secretary must be notified within thirty days of any change in ownership of a registered aircraft. The notification must contain the N, NC, NR, NL, or NX number of the aircraft, the full name and address of the former owner, and the full name and address of the new owner. For failure to so notify the secretary, the registration of that aircraft may be canceled by the secretary,

subject to reinstatement upon application and payment of a reinstatement fee of ten dollars by the new owner.

(7) A municipality or port district that owns, operates, or leases an airport, as defined in RCW 47.68.020, with the intent to operate, must require from an aircraft owner proof of aircraft registration as a condition of leasing or selling tiedown or hangar space for an aircraft. It is the responsibility of the lessee or purchaser to register the aircraft. Proof of registration must be provided according to the following schedule:

(a) For the purchase of tiedown or hangar space, the municipality or port district must allow the purchaser thirty days from the date of the application for purchase to produce proof of aircraft registration.

(b) For the lease of tiedown or hangar space that extends thirty days or more, the municipality or port district must allow the lessee thirty days to produce proof of aircraft registration from the date of the application for lease of tiedown or hangar space.

(c) For the lease of tiedown or hangar space that extends less than thirty days, the municipality or port district must allow the lessee to produce proof of aircraft registration at any point prior to the final day of the lease.

(8) The airport must work with the aviation division to assist in its efforts to register aircraft by providing information about based aircraft on an annual basis as requested by the division.

NEW SECTION. Sec. 45. Section 44 of this act expires July 1, 2021.

Sec. 46. RCW 47.68.250 and 2016 c 20 s 4 are each amended to read as follows:

SECTION 39 CONFORMING AMENDMENT.

(1) Every aircraft must be registered with the department for each calendar year in which the aircraft is operated or is based within this state. A fee of fifteen dollars is charged for each such registration and each annual renewal thereof.

(2) Possession of the appropriate effective federal certificate, permit, rating, or license relating to ownership and airworthiness of the aircraft, and payment of the excise tax imposed by Title 82 RCW for the privilege of using the aircraft within this state during the year for which the registration is sought, and payment of the registration fee required by this section are the only requisites for registration of an aircraft under this section.

(3) The registration fee imposed by this section is payable to and collected by the secretary. The fee for any calendar year must be paid during the month of January, and collected by the secretary at the time of the collection by him or her of the said excise tax. If the secretary is satisfied that the requirements for registration of the aircraft have been met, he or she must issue to the owner of the aircraft a certificate of registration therefor. The secretary must pay to the state treasurer the registration fees collected under this section, which registration fees must be credited to the aeronautics account ((in the transportation fund)).

(4) It is not necessary for the registrant to provide the secretary with originals or copies of federal certificates, permits, ratings, or licenses. The secretary must issue certificates of registration, or such other evidences of registration or payment of fees as he or she may deem proper; and in connection

therewith may prescribe requirements for the possession and exhibition of such certificates or other evidences.

(5) The provisions of this section do not apply to:

(a) An aircraft owned by and used exclusively in the service of any government or any political subdivision thereof, including the government of the United States, any state, territory, or possession of the United States, or the District of Columbia, which is not engaged in carrying persons or property for commercial purposes;

(b) An aircraft registered under the laws of a foreign country;

(c) An aircraft which is owned by a nonresident and registered in another state. However, if said aircraft remains in and/or ((be)) is based in this state for a period of ninety days or longer it is not exempt under this section;

(d) An aircraft engaged principally in commercial flying constituting an act of interstate or foreign commerce;

(e) An aircraft owned by the commercial manufacturer thereof while being operated for test or experimental purposes, or for the purpose of training crews for purchasers of the aircraft;

(f) An aircraft being held for sale, exchange, delivery, test, or demonstration purposes solely as stock in trade of an aircraft dealer licensed under Title 14 RCW;

(g) An aircraft based within the state that is in an unairworthy condition, is not operated within the registration period, and has obtained a written exemption issued by the secretary.

(6) The secretary must be notified within thirty days of any change in ownership of a registered aircraft. The notification must contain the N, NC, NR, NL, or NX number of the aircraft, the full name and address of the former owner, and the full name and address of the new owner. For failure to so notify the secretary, the registration of that aircraft may be canceled by the secretary, subject to reinstatement upon application and payment of a reinstatement fee of ten dollars by the new owner.

(7) A municipality or port district that owns, operates, or leases an airport, as defined in RCW 47.68.020, with the intent to operate, must require from an aircraft owner proof of aircraft registration as a condition of leasing or selling tiedown or hangar space for an aircraft. It is the responsibility of the lessee or purchaser to register the aircraft. Proof of registration must be provided according to the following schedule:

(a) For the purchase of tiedown or hangar space, the municipality or port district must allow the purchaser thirty days from the date of the application for purchase to produce proof of aircraft registration.

(b) For the lease of tiedown or hangar space that extends thirty days or more, the municipality or port district must allow the lessee thirty days to produce proof of aircraft registration from the date of the application for lease of tiedown or hangar space.

(c) For the lease of tiedown or hangar space that extends less than thirty days, the municipality or port district must allow the lessee to produce proof of aircraft registration at any point prior to the final day of the lease.

(8) The airport must work with the aviation division to assist in its efforts to register aircraft by providing information about based aircraft on an annual basis as requested by the division.

Sec. 48. RCW 14.20.060 and 1998 c 187 s 2 are each amended to read as follows:

SECTION 39 CONFORMING AMENDMENT.

The fees set forth in RCW 14.20.050 shall be paid to the secretary. The fee for any calendar year may be paid on and after the first day of December of the preceding year. The secretary shall give appropriate receipts therefor. The fees collected under this chapter shall be credited to the aeronautics account ((of the transportation fund)). The secretary may prescribe requirements for the possession and exhibition of aircraft dealer's licenses and aircraft dealer's certificates.

Sec. 49. RCW 82.44.190 and 1996 c 262 s 2 are each amended to read as follows:

SECTION 39 CONFORMING AMENDMENT.

The transportation infrastructure account is hereby created in the ((transportation fund)) state treasury. Public and private entities may deposit moneys in the transportation infrastructure account from federal, state, local, or private sources. Proceeds from bonds or other financial instruments sold to finance surface transportation projects from the transportation infrastructure account shall be deposited into the account. Principal and interest payments made on loans from the transportation infrastructure account shall be deposited in the account shall be available for purposes specified in RCW 82.44.195. Expenditures from the transportation infrastructure account shall be subject to appropriation by the legislature. To the extent required by federal law or regulations promulgated by the United States secretary of transportation, the state treasurer is authorized to create separate subaccounts within the transportation infrastructure account.

Sec. 50. RCW 43.84.092 and 2017 c 290 s 8 are each amended to read as follows:

SECTION 39 CONFORMING AMENDMENT.

(1) All earnings of investments of surplus balances in the state treasury shall be deposited to the treasury income account, which account is hereby established in the state treasury.

(2) The treasury income account shall be utilized to pay or receive funds associated with federal programs as required by the federal cash management improvement act of 1990. The treasury income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for refunds or allocations of interest earnings required by the cash management improvement act. Refunds of interest to the federal treasury required under the cash management improvement act fall under RCW 43.88.180 and shall not require appropriation. The office of financial management shall determine the amounts due to or from the federal government pursuant to the cash management improvement act. The office of financial management may direct transfers of funds between accounts as deemed necessary to implement the provisions of the cash management improvement act, and this subsection. Refunds or allocations shall occur prior to the distributions of earnings set forth in subsection (4) of this section.

(3) Except for the provisions of RCW 43.84.160, the treasury income account may be utilized for the payment of purchased banking services on behalf

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

(4) Monthly, the state treasurer shall distribute the earnings credited to the treasury income account. The state treasurer shall credit the general fund with all the earnings credited to the treasury income account except:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Way viaduct replacement project account, Alaskan the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the diesel idle reduction account, the drinking water assistance account, the drinking water assistance administrative account, ((the drinking water assistance repayment account,)) the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the electric vehicle charging infrastructure account, the energy freedom account, the energy recovery act account, the essential rail assistance account. The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile park relocation fund, the money-purchase retirement home savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the multiuse roadway safety account, the

municipal criminal justice assistance account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, ((the transportation fund,)) the transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent

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fund, the state university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts.

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

(5) In conformance with Article II, section 37 of the state Constitution, no treasury accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

<u>NEW SECTION.</u> Sec. 51. SECTION 39 CONFORMING REPEALERS. The following acts or parts of acts are each repealed:

(1) RCW 82.14.046 (Sales and use tax equalization payments from local transit taxes) and 1998 c 321 s 37, 1995 c 298 s 1, & 1994 c 241 s 2; and

(2) RCW 82.50.510 (Remittance of tax to state—Distribution to cities, towns, counties, and schools) and 1998 c 321 s 24, 1991 c 199 s 227, 1990 c 42 s 322, 1975-'76 2nd ex.s. c 75 s 1, & 1971 ex.s. c 299 s 66.

<u>NEW SECTION.</u> Sec. 52. RELATING TO WAYS & MEANS. The following sections are decodified:

(1) RCW 43.41.035 (Office of program planning and fiscal management redesignated office of financial management);

(2) RCW 43.41.901 (Construction—1977 ex.s. c 270);

(3) RCW 43.41.940 (Central budget agency abolished);

(4) RCW 43.41.950 (Saving-1969 ex.s. c 239);

(5) RCW 43.41.981 (Transfer of certain powers, duties, functions, and assets of the department of personnel); and

(6) RCW 43.88.910 (Effective date—1975 1st ex.s. c 293).

Passed by the Senate June 30, 2017.

Passed by the House June 30, 2017.

Approved by the Governor July 6, 2017.

Filed in Office of Secretary of State July 7, 2017.

### **CHAPTER 26**

[Engrossed Second Substitute House Bill 1341] TEACHERS AND SCHOOL ADMINISTRATORS--PROFESSIONAL CERTIFICATION--RESIDENCY CERTIFICATE RENEWAL

AN ACT Relating to professional certification for teachers and school administrators; amending RCW 28A.410.210, 28A.410.250, and 28A.410.270; adding new sections to chapter 28A.410 RCW; providing an expiration date; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 28A.410 RCW to read as follows:

By September 1, 2017, the Washington professional educator standards board shall adopt rules allowing teachers and principals with at least two years of experience, who hold or have held a residency certificate and have not achieved the professional certificate, to renew their residency certificate in fiveyear intervals based on completion of ten credits or one hundred clock hours as defined in RCW 28A.415.020 and 28A.415.023.

Sec. 2. RCW 28A.410.210 and 2009 c 531 s 4 are each amended to read as follows:

The purpose of the <u>Washington</u> professional educator standards board is to establish policies and requirements for the preparation and certification of educators that provide standards for competency in professional knowledge and practice in the areas of certification; a foundation of skills, knowledge, and attitudes necessary to help students with diverse needs, abilities, cultural experiences, and learning styles meet or exceed the learning goals outlined in RCW 28A.150.210; knowledge of research-based practice; and professional development throughout a career. The Washington professional educator standards board shall:

(1) Establish policies and practices for the approval of programs of courses, requirements, and other activities leading to educator certification including teacher, school administrator, and educational staff associate certification;

(2) Establish policies and practices for the approval of the character of work required to be performed as a condition of entrance to and graduation from any educator preparation program including teacher, school administrator, and educational staff associate preparation program as provided in subsection (1) of this section;

(3) Establish a list of accredited institutions of higher education of this and other states whose graduates may be awarded educator certificates as teacher, school administrator, and educational staff associate and establish criteria and enter into agreements with other states to acquire reciprocal approval of educator preparation programs and certification, including teacher certification from the national board for professional teaching standards;

(4) Establish policies for approval of nontraditional educator preparation programs;

(5) Conduct a review of educator program approval standards at least every five years, beginning in 2006, to reflect research findings and assure continued improvement of preparation programs for teachers, administrators, and school specialized personnel;

(6) Specify the types and kinds of educator certificates to be issued and conditions for certification in accordance with subsection (1) of this section, section 1 of this act, and RCW 28A.410.010;

(7) Apply for and receive federal or other funds on behalf of the state for purposes related to the duties of the board;

(8) Adopt rules under chapter 34.05 RCW that are necessary for the effective and efficient implementation of this chapter;

(9) Maintain data concerning educator preparation programs and their quality, educator certification, educator employment trends and needs, and other data deemed relevant by the board;

(10) Serve as an advisory body to the superintendent of public instruction on issues related to educator recruitment, hiring, mentoring and support, professional growth, retention, educator evaluation including but not limited to peer evaluation, and revocation and suspension of licensure;

(11) Submit, by October 15th of each even-numbered year and in accordance with RCW 43.01.036, a joint report with the state board of education

to the legislative education committees, the governor, and the superintendent of public instruction. The report shall address the progress the boards have made and the obstacles they have encountered, individually and collectively, in the work of achieving the goals set out in RCW 28A.150.210;

(12) Establish the prospective teacher assessment system for basic skills and subject knowledge that shall be required to obtain residency certification pursuant to RCW 28A.410.220 through 28A.410.240; and

(13) ((By January 2010, set performance standards and develop, pilot, and implement a uniform and externally administered professional-level certification assessment based on demonstrated teaching skill. In the development of this assessment, consideration shall be given to changes in professional certification program components such as the culminating seminar; and

(14))) Conduct meetings under the provisions of chapter 42.30 RCW.

**Sec. 3.** RCW 28A.410.250 and 2016 c 233 s 4 are each amended to read as follows:

The agency responsible for educator certification shall adopt rules for professional certification that:

(1) ((Provide maximum program choice for applicants, promote portability among programs, and promote maximum efficiency for applicants in attaining professional certification;

(2) Require professional certification no earlier than the fifth year following the year that the teacher first completes provisional status, with an automatie two-year extension upon enrollment;

(3))) Grant professional certification to any teacher who attains certification from the national board for professional teaching standards;

(((4) Permit any teacher currently enrolled in or participating in a program leading to professional certification to continue the program under administrative rules in place when the teacher began the program;

(5) Provide criteria for the approval of educational service districts, beginning no later than August 31, 2007, to offer programs leading to professional certification. The rules shall be written to encourage institutions of higher education and educational service districts to partner with local school districts or consortia of school districts, as appropriate, to provide instruction for teachers seeking professional certification;

(6) Encourage institutions of higher education to offer professional certificate coursework as continuing education credit hours. This shall not prevent an institution of higher education from providing the option of including the professional certification requirements as part of a master's degree program;

(7) Provide criteria for a liaison relationship between approved programs and school districts in which applicants are employed;

(8))) (2) Identify an expedited professional certification process for out-ofstate teachers who have five years or more of successful teaching experience, including a method to determine the comparability of rigor between the Washington professional certification process and the advanced level teacher certification process of other states. A professional certificate must be issued to these experienced out-of-state teachers if the teacher holds: (a) A valid teaching certificate issued by the national board for professional teaching standards; or (b) an advanced level teacher certificate from another state that has been determined to be comparable to the Washington professional certificate; and (((9) Identify an evaluation process of approved programs that includes a review of the program coursework and applicant coursework load requirements, linkages of programs to individual teacher professional growth plans, linkages to school district and school improvement plans, and, to the extent possible, linkages to school district professional enrichment and growth programs for teachers, where such programs are in place in school districts. The agency shall provide a preliminary report on the evaluation process to the senate and house of representatives committees on education policy by November 1, 2005. The board shall identify:

(a) A process for awarding conditional approval of a program that shall include annual evaluations of the program until the program is awarded full approval;

(b) A less intensive evaluation cycle every three years once a program receives full approval unless the responsible agency has reason to intensify the evaluation;

(c) A method for investigating programs that have received numerous complaints from students enrolled in the program and from those recently completing the program;

(d) A method for investigating programs at the reasonable discretion of the agency; and

(e) A method for using, in the evaluation, both program completer satisfaction responses and data on the impact of educators who have obtained professional certification on student work and achievement.))

Sec. 4. RCW 28A.410.270 and 2009 c 548 s 402 are each amended to read as follows:

(1)(a) ((By January 1, 2010,)) 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 ((of certification and)) along the entire career continuum. In developing the standards, the board shall, to the extent possible, incorporate standards for 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.

(b) ((By January 1, 2010,)) 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 <u>Washington</u> professional educator standards board, teachers certified through the national board for professional teaching standards shall be considered master teachers.

(2) ((By January 1, 2010, the professional educator standards board shall submit to the governor and the education and fiscal committees of the legislature:

# (a) An update on the status of implementation of the professional certificate external and uniform assessment authorized in RCW 28A.410.210;

(b) A proposal for)) 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. ((The proposal shall establish a timeline for when the assessment will be required for successful completion of a Washington state approved teacher preparation program. The timeline shall take into account the capacity of the K 12 education and higher education systems to accommodate the new assessment. The proposal and timeline shall also address how the assessment will be included in state reported data on preparation program quality; and

(c) A recommendation on the length of time that a residency certificate issued to a teacher is valid and within what time period a teacher must meet the minimum level of performance for and receive a professional certificate in order to continue being certified as a teacher. In developing this recommendation, the professional educator standards board shall consult with interested stakeholders including the Washington education association, the Washington association of school administrators, association of Washington school principals, and the Washington state school directors' association and shall include with its recommendation.

(3) The update and proposal in subsection (2)(a) and (b) of this section shall include, at a minimum, descriptions of:

(a) Estimated costs and statutory authority needed for further development and implementation of these assessments;

(b) A common and standardized rubric for determining whether a teacher meets the minimum level of performance of the assessments; and

(c) Administration and management of the assessments.

(4) To the extent that funds are appropriated for this purpose and in accordance with the timeline established in subsection (2) of this section, recognizing the capacity limitations of the education systems, the professional educator standards board shall develop the system and process as established in subsections (1), (2), and (3) of this section throughout the remainder of the 2010-11 and 2011-12 school years.

(5) Beginning no earlier than September 1, 2011,)) (3) Award of a professional certificate shall be based on a minimum of two years of successful teaching experience as defined by the board ((and on the results of the evaluation authorized under RCW 28A.410.210(14) and under this section)), and may not require candidates to enroll in a professional certification program.

(((6) Beginning July 1, 2011,)) (4) <u>E</u>ducator preparation programs approved to offer the residency teaching certificate shall be required to demonstrate how the program produces effective teachers as evidenced by the measures established under this section and other criteria established by the <u>Washington</u> professional educator standards board.

*<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 28A.410 RCW to read as follows:

THE COLLABORATIVE.

(1) For the purpose of this section, "educator" means a paraeducator, teacher, principal, administrator, superintendent, school counselor, school psychologist, school social worker, school nurse, school physical therapist, school occupational therapist, or school speech-language pathologist or audiologist. "Educator" includes persons who hold, or have held, certificates as authorized by rule of the Washington professional educator standards board.

(2)(a) The professional educator collaborative is established to make recommendations on how to improve and strengthen state policies, programs, and pathways that lead to highly effective educators at each level of the public school system.

(b) The collaborative shall examine issues related to educator recruitment, certification, retention, professional learning and development, leadership, and evaluation for effectiveness. The examination must consider what barriers and deterrents hinder the recruitment and retention of professional educators, including those from underrepresented populations. The collaborative shall also consider what incentives and supports could be provided at each stage of an educator's career to produce a more effective educational system. Specifically, the collaborative must review the following issues:

(i) Educator recruitment, including the role of school districts, community and technical colleges, preparation programs, and communities, and the effectiveness of financial incentives and other types of support;

(ii) Educator preparation, including traditional and alternative route program design and content, the role of community and technical colleges, field experience duration and quality, financial assistance and incentives, school district and community connections, and academic and social support for students;

(iii) Educator certificate types and tiers, including requirements for an initial or first-tier certificate, requirements to advance to the next tier, and requirements that are transferable between certificate types;

(iv) Educator certificate renewal requirements, including comparing professional growth plan requirements with the teacher and principal residency certificate renewal requirements established in section 1 of this act;

(v) Educator evaluation, including comparison to educator certificate renewal requirements to determine inconsistent or duplicative requirements or efforts, relationship with educator compensation;

(vi) Educator certificate reciprocity;

(vii) Professional learning and development opportunities, particularly for mid-career teachers;

(viii) Leadership in the education system, including best practices of high quality leaders, training for principals and administrators, and identifying and developing teachers as leaders; and

(ix) Systems monitoring, including collection of outcomes data on educator production, employment, and retention, and the value in a costbenefit analysis of state recruitment and retention activities. (3)(a) The members of the collaborative must include representatives of the following organizations:

(i) The two largest caucuses of the senate and the house of representatives, appointed by the majority and minority leaders of the senate and the speaker of the house of representatives, respectively;

(ii) The Washington professional educator standards board;

(iii) The office of the superintendent of public instruction;

*(iv) Washington professional educator standards board-approved educator preparation programs;* 

(v) The Washington state school directors' association;

(vi) The Washington education association;

(vii) The Washington association of school administrators;

(viii) The association of Washington school principals; and

(ix) The association of Washington school counselors.

(b) Each organization listed in (a) of this subsection must designate one voting member, except that each legislator is a voting member.

(c) The collaborative shall choose its chair or cochairs from among its members.

(d) The voting members of the collaborative, where appropriate, may consult with stakeholders, including representatives of other educator associations, or ask stakeholders to establish an advisory committee. Members of such an advisory committee are not entitled to expense reimbursement.

(4)(a) Staff support for the collaborative must be provided by the Washington professional educator standards board, and from other state agencies, including the office of the superintendent of public instruction, if requested by the collaborative.

(b) The Washington professional educator standards board must convene the initial meeting of the collaborative within sixty days of the effective date of this section.

(5) The collaborative must contract with a nonprofit, nonpartisan institute that conducts independent, high quality research to improve education policy and practice and that works with policymakers, researchers, educators, and others to advance evidence-based policies that support equitable learning for each child for the purpose of consultation and guidance on meeting agendas and materials development, meeting facilitation, documenting collaborative discussions and recommendations, locating and summarizing useful policy and research documents, and drafting required reports.

(6) Legislative members of the collaborative 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.

(7)(a) By November 1, 2018, and in compliance with RCW 43.01.036, the collaborative shall submit a preliminary report to the education committees of the legislature that makes recommendations on the educator certificate types, tiers, and renewal issues described in subsection (3) of this section. The report must also describe the activities of the collaborative to date, and include any

preliminary recommendations agreed to by the collaborative on other issues described in subsection (3) of this section.

(b) By November 1, 2019, and in compliance with RCW 43.01.036, the collaborative shall submit a final report to the education committees of the legislature that describes the activities of the collaborative since the preliminary report and makes recommendations on each issue described in subsection (2) of this section.

(8) This section expires August 31, 2020.

*Sec. 5 was vetoed. See message at end of chapter.

<u>NEW SECTION.</u> 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.

Passed by the House June 29, 2017.

Passed by the Senate June 30, 2017.

Approved by the Governor July 7, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 7, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 5, Engrossed Second Substitute House Bill No. 1341 entitled:

"AN ACT Relating to professional certification for teachers and school administrators."

Section 5 requires the formation of a collaborative of at least 12 members, monthly meetings, and an extensive contracted study. But the 2017-19 omnibus appropriations act does not provide funding for the Professional Educator Standards Board to contract for this work.

For these reasons I have vetoed Section 5 of Engrossed Second Substitute House Bill No. 1341.

With the exception of Section 5, Engrossed Second Substitute House Bill No. 1341 is approved."

## **CHAPTER 27**

[House Bill 1406]

SURFACING MINING--FEES

AN ACT Relating to adjusting the surface mining funding structure; and amending RCW 78.44.085.

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

Sec. 1. RCW 78.44.085 and 2006 c 341 s 1 are each amended to read as follows:

(1) An applicant for an expansion of a permitted surface mine, a new reclamation permit under RCW 78.44.081, or for combining existing public or private reclamation permits, shall pay a nonrefundable application fee to the department before being granted the requested permit or permit expansion. The amount of the application fee shall be ((two)) four thousand five hundred dollars.

(2) Permit holders submitting a revision to an application for an existing reclamation plan that is not an expansion shall pay a nonrefundable reclamation plan revision fee of (( $\frac{\text{one}}{\text{one}}$ )) two thousand five hundred dollars.

(3) After June 30,  $((\frac{2006}{2006}))$  <u>2017</u>, each public or private permit holder shall pay an annual permit fee in an amount pursuant to this section. The annual

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permit fee shall be payable to the department prior to the reclamation permit being issued and on the anniversary of the permit date each year thereafter.

(4)(a) Except as otherwise provided in this subsection, each public or private permit holder must pay an annual fee ((<del>under this section based on the categories of aggregate or mineral mined or extracted during the previous twelve months, as follows:</del>

(i) Zero to fifty thousand tons: A fee of one thousand two hundred fifty dollars;

(ii) More than fifty thousand tons to three hundred fifty thousand tons: A fee of two thousand five hundred dollars;

(iii) More than three hundred fifty thousand tons: A fee of three thousand five hundred)) of two thousand dollars.

(b) Annual fees paid by a county for mines used exclusively for public works projects and having less than seven acres of disturbed area per mine shall not exceed one thousand dollars.

(c) Annual fees are waived for all mines used primarily for public works projects if the mines are owned and primarily operated by counties with 1993 populations of less than twenty thousand persons, and if each mine has less than seven acres of disturbed area.

(5) Any production records, mineral assessments, and trade secrets submitted by a permit holder, mine operator, or landowner to the department are to be held as confidential and not released as part of a public records request under chapter 42.56 RCW.

(6) Appeals from any determination of the department shall not stay the requirement to pay any annual permit fee. Failure to pay the annual fees may constitute grounds for an order to suspend surface mining, pay fines, or cancel the reclamation permit as provided in this chapter.

(7) All fees collected by the department shall be deposited into the surface mining reclamation account created in RCW 78.44.045.

(8) If the department delegates enforcement responsibilities to a county, city, or town, the department may allocate funds collected under this section to the county, city, or town.

(9) Within sixty days after receipt of an application for a new or expanded permit, the department shall advise applicants of any information necessary to successfully complete the application.

(10) In addition to other enforcement authority, the department may refer matters to a collection agency licensed under chapter 19.16 RCW when permit fees or fines are past due. The collection agency may impose its own fees for collecting delinquent permit fees or fines.

Passed by the House June 29, 2017. Passed by the Senate June 30, 2017. Approved by the Governor July 7, 2017. Filed in Office of Secretary of State July 7, 2017.

# **CHAPTER 28**

#### [Engrossed House Bill 2163] REVENUE--VARIOUS CHANGES

AN ACT Relating to revenue; amending RCW 82.08.0293, 82.12.0293, 82.12.0263, 82.08.050, 82.12.040, 82.12.040, 82.04.066, 82.04.067, 82.04.220, 82.14.495, 82.14.500, 54.28.055, and 54.28.055; adding new sections to chapter 82.08 RCW; adding new sections to chapter 82.12 RCW; adding new sections to chapter 82.32 RCW; adding a new chapter to Title 82 RCW; creating new sections; repealing RCW 82.04.424, 82.14.495, and 82.14.500; repealing 2017 3rd sp.s. c ... s 403 (uncodified); prescribing penalties; providing effective dates; providing expiration dates; and declaring an emergency.

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

Part I

# Eliminating or Narrowing Tax Preferences Subpart A

## Eliminating the Sales and Use Tax Exemption for Bottled Water

Sec. 101. RCW 82.08.0293 and 2014 c 140 s 22 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales of food and food ingredients. "Food and food ingredients" means substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value. "Food and food ingredients" does not include:

(a) "Alcoholic beverages," which means beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume;

(b) "Tobacco," which means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco; and

(c) Marijuana, useable marijuana, or marijuana-infused products.

(2) The exemption of "food and food ingredients" provided for in subsection (1) of this section does not apply to prepared food, soft drinks, <u>bottled water</u>, or dietary supplements. ((For purposes of this subsection, the following definitions apply:)) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Bottled water" means water that is placed in a safety sealed container or package for human consumption. Bottled water is calorie free and does not contain sweeteners or other additives except that it may contain: (i) Antimicrobial agents; (ii) fluoride; (iii) carbonation; (iv) vitamins, minerals, and electrolytes; (v) oxygen; (vi) preservatives; and (vii) only those flavors, extracts, or essences derived from a spice or fruit. "Bottled water" includes water that is delivered to the buyer in a reusable container that is not sold with the water.

(b) "Dietary supplement" means any product, other than tobacco, intended to supplement the diet that:

(i) Contains one or more of the following dietary ingredients:

(A) A vitamin;

(B) A mineral;

(C) An herb or other botanical;

(D) An amino acid;

(E) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake; or

(F) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in this subsection;

(ii) Is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or if not intended for ingestion in such form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and

(iii) Is required to be labeled as a dietary supplement, identifiable by the "supplement facts" box found on the label as required pursuant to 21 C.F.R. Sec. 101.36, as amended or renumbered as of January 1, 2003.

(((b))) (c)(i) "Prepared food" means:

(A) Food sold in a heated state or heated by the seller;

(B) Food sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws. A plate does not include a container or packaging used to transport the food; or

(C) Two or more food ingredients mixed or combined by the seller for sale as a single item, except:

(I) Food that is only cut, repackaged, or pasteurized by the seller; or

(II) Raw eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the federal food and drug administration in chapter 3, part 401.11 of The Food Code, published by the food and drug administration, as amended or renumbered as of January 1, 2003, so as to prevent foodborne illness.

(ii) "Prepared food" does not include the following food or food ingredients, if the food or food ingredients are sold without eating utensils provided by the seller:

(A) Food sold by a seller whose proper primary North American industry classification system (NAICS) classification is manufacturing in sector 311, except subsector 3118 (bakeries), as provided in the "North American industry classification system—United States, 2002";

(B) Food sold in an unheated state by weight or volume as a single item; or

(C) Bakery items. The term "bakery items" includes bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, Danish, cakes, tortes, pies, tarts, muffins, bars, cookies, or tortillas.

(((e))) (d) "Soft drinks" means nonalcoholic beverages that contain natural or artificial sweeteners. Soft drinks do not include beverages that contain: Milk or milk products; soy, rice, or similar milk substitutes; or greater than fifty percent of vegetable or fruit juice by volume.

(3) Notwithstanding anything in this section to the contrary, the exemption of "food and food ingredients" provided in this section applies to food and food ingredients that are furnished, prepared, or served as meals:

(a) Under a state administered nutrition program for the aged as provided for in the older Americans act (P.L. 95-478 Title III) and RCW 74.38.040(6);

(b) That are provided to senior citizens, individuals with disabilities, or lowincome persons by a not-for-profit organization organized under chapter 24.03 or 24.12 RCW; or

(c) That are provided to residents, sixty-two years of age or older, of a qualified low-income senior housing facility by the lessor or operator of the facility. The sale of a meal that is billed to both spouses of a marital community or both domestic partners of a domestic partnership meets the age requirement in

this subsection (3)(c) if at least one of the spouses or domestic partners is at least sixty-two years of age. For purposes of this subsection, "qualified low-income senior housing facility" means a facility:

(i) That meets the definition of a qualified low-income housing project under 26 U.S.C. Sec. 42 of the federal internal revenue code, as existing on August 1, 2009;

(ii) That has been partially funded under 42 U.S.C. Sec. 1485; and

(iii) For which the lessor or operator has at any time been entitled to claim a federal income tax credit under 26 U.S.C. Sec. 42 of the federal internal revenue code.

(4)(a) Subsection (1) of this section notwithstanding, the retail sale of food and food ingredients is subject to sales tax under RCW 82.08.020 if the food and food ingredients are sold through a vending machine. Except as provided in (b) of this subsection, the selling price of food and food ingredients sold through a vending machine for purposes of RCW 82.08.020 is fifty-seven percent of the gross receipts.

(b) For soft drinks, bottled water, and hot prepared food and food ingredients, other than food and food ingredients which are heated after they have been dispensed from the vending machine, the selling price is the total gross receipts of such sales divided by the sum of one plus the sales tax rate expressed as a decimal.

(c) For tax collected under this subsection (4), the requirements that the tax be collected from the buyer and that the amount of tax be stated as a separate item are waived.

**Sec. 102.** RCW 82.12.0293 and 2011 c 2 s 303 are each amended to read as follows:

(1) The provisions of this chapter do not apply in respect to the use of food and food ingredients for human consumption. "Food and food ingredients" has the same meaning as in RCW 82.08.0293.

(2) The exemption of "food and food ingredients" provided for in subsection (1) of this section does not apply to prepared food, soft drinks, <u>bottled water</u>, or dietary supplements. "Prepared food," "soft drinks," <u>"bottled water</u>," and "dietary supplements" have the same meanings as in RCW 82.08.0293.

(3) Notwithstanding anything in this section to the contrary, the exemption of "food and food ingredients" provided in this section applies to food and food ingredients which are furnished, prepared, or served as meals:

(a) Under a state administered nutrition program for the aged as provided for in the older Americans act (P.L. 95-478 Title III) and RCW 74.38.040(6);

(b) Which are provided to senior citizens, individuals with disabilities, or low-income persons by a not-for-profit organization organized under chapter 24.03 or 24.12 RCW; or

(c) That are provided to residents, sixty-two years of age or older, of a qualified low-income senior housing facility by the lessor or operator of the facility. The sale of a meal that is billed to both spouses of a marital community or both domestic partners of a domestic partnership meets the age requirement in this subsection (3)(c) if at least one of the spouses or domestic partners is at least sixty-two years of age. For purposes of this subsection, "qualified low-income senior housing facility" has the same meaning as in RCW 82.08.0293.

<u>NEW SECTION.</u> Sec. 103. A new section is added to chapter 82.08 RCW to read as follows:

(1) Subject to the conditions in this section, the tax levied by RCW 82.08.020 does not apply to sales of bottled water dispensed or to be dispensed to patients pursuant to a prescription for use in the cure, mitigation, treatment, or prevention of disease or medical condition.

(2) For purposes of this section, "prescription" means an order, formula, or recipe issued in any form of oral, written, electronic, or other means of transmission by a duly licensed practitioner authorized by the laws of this state to prescribe.

(3) Except for sales of bottled water delivered to the buyer in a reusable container that is not sold with the water, sellers must collect tax on sales subject to this exemption. Any buyer that has paid at least twenty-five dollars in state and local sales taxes on purchases of bottled water subject to this exemption may apply for a refund of the taxes directly from the department in a form and manner prescribed by the department. The department must deny any refund application if the amount of the refund requested is less than twenty-five dollars. No refund may be made for taxes paid more than four years after the end of the calendar year in which the tax was paid to the seller.

(4) With respect to sales of bottled water delivered to the buyer in a reusable container that is not sold with the water, buyers claiming the exemption provided in this section must provide the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

<u>NEW SECTION.</u> Sec. 104. A new section is added to chapter 82.12 RCW to read as follows:

(1) The provisions of this chapter do not apply in respect to the use of bottled water dispensed or to be dispensed to patients pursuant to a prescription for use in the cure, mitigation, treatment, or prevention of disease or medical condition.

(2) For the purposes of this section, "prescription" has the same meaning as provided in section 103 of this act.

<u>NEW SECTION.</u> Sec. 105. A new section is added to chapter 82.08 RCW to read as follows:

(1)(a) Subject to the conditions in this section, the tax levied by RCW 82.08.020 does not apply to sales of bottled water to persons whose primary source of drinking water is unsafe.

(b) For purposes of this subsection and section 106 of this act, a person's primary source of drinking water is unsafe if:

(i) The public water system providing the drinking water has issued a public notification that the drinking water may pose a health risk, and the notification is still in effect on the date that the bottled water was purchased;

(ii) Test results on the person's drinking water, which are no more than twelve months old, from a laboratory certified to perform drinking water testing show that the person's drinking water does not meet safe drinking water standards applicable to public water systems; or (iii) The person otherwise establishes, to the department's satisfaction, that the person's drinking water does not meet safe drinking water standards applicable to public water systems.

(2) Except for sales of bottled water delivered to the buyer in a reusable container that is not sold with the water, sellers must collect tax on sales subject to this exemption. Any buyer that has paid at least twenty-five dollars in state and local sales taxes on purchases of bottled water subject to this exemption may apply for a refund of the taxes directly from the department in a form and manner prescribed by the department. The department must deny any refund application if the amount of the refund requested is less than twenty-five dollars. No refund may be made for taxes paid more than four years after the end of the calendar year in which the tax was paid to the seller.

(3)(a) With respect to sales of bottled water delivered to the buyer in a reusable container that is not sold with the water, buyers claiming the exemption provided in this section must provide the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(b) The department may waive the requirement for an exemption certificate in the event of disaster or similar circumstance.

<u>NEW SECTION.</u> Sec. 106. A new section is added to chapter 82.12 RCW to read as follows:

The provisions of this chapter do not apply in respect to the use of bottled water by persons whose primary source of drinking water is unsafe as provided in section 105 of this act.

### Subpart B

## Narrowing a Use Tax Exemption for Self-Produced Fuel

**Sec. 107.** RCW 82.12.0263 and 1980 c 37 s 62 are each amended to read as follows:

The provisions of this chapter ((shall)) do not apply in respect to the use of biomass fuel by the extractor or manufacturer thereof when used directly in the operation of the particular extractive operation or manufacturing plant which produced or manufactured the same. For purposes of this section, "biomass fuel" means wood waste and other wood residuals, including forest derived biomass, but does not include firewood or wood pellets. "Biomass fuel" also includes partially organic by-products of pulp, paper, and wood manufacturing processes.

<u>NEW SECTION.</u> Sec. 108. A new section is added to chapter 82.12 RCW to read as follows:

(1) The value of the article used with respect to refinery fuel gas under this chapter is the most recent monthly United States natural gas wellhead price, as published by the federal energy information administration.

(2) In lieu of the use tax rate provided in RCW 82.12.020, refinery fuel gas is subject to a rate of:

(a) 0.963 percent from January 1, 2018, through December 31, 2018;

(b) 1.926 percent from January 1, 2019, through December 31, 2019;

(c) 2.889 percent from January 1, 2020, through December 31, 2020; and

(d) 3.852 percent from January 1, 2021, and thereafter.

(3) The use of fuel by the extractor or manufacturer thereof when used directly in the operation of the particular extractive operation or manufacturing plant that produced or manufactured the same is not subject to local use tax.

<u>NEW SECTION.</u> Sec. 109. Sections 107 through 109 of this act apply with respect to fuel, other than biomass fuel, consumed within this state on or after the effective date of this section, regardless of whether such fuel was produced or manufactured before the effective date of this section. For purposes of this section, "consumed" means the use of fuel resulting in the release of usable energy.

#### Part II

## **Remote Sellers, Referrers, and Marketplace Facilitators**

<u>NEW SECTION.</u> Sec. 201. (1) The legislature finds that states fail to collect more than twenty-three billion dollars annually in sales taxes from remote sales over the internet and through catalogs. The legislature further finds that Washington and its local governments will lose out on an estimated three hundred fifty-three million dollars in sales and use taxes in fiscal year 2018 from remote sales, reducing funds that would otherwise be available for the public education system, health care services, infrastructure, and other vital public services.

(2) The legislature finds that Colorado adopted a law requiring out-of-state retailers that do not collect Colorado's sales tax to report tax-related information to their Colorado customers and the Colorado department of revenue. The legislature further finds that in 2016 the United States court of appeals for the tenth circuit upheld that law.

(3) The legislature intends by this act to address the significant harm and unfairness brought about by the physical presence nexus rule. To achieve this objective, this act adopts a new program. Under the new program, remote sellers meeting a specified threshold of gross receipts from retail sales into this state would have the option to either collect retail sales or use tax on taxable retail sales into this state or comply with certain sales and use tax notice and reporting provisions. This option is also available to other persons such as marketplace facilitators for facilitated sales on behalf of third-party remote sellers. The sales and use tax notice and reporting provisions in this act are similar to the multistate tax commission's draft model sales and use tax notice and reporting statute and Colorado's sales and use tax notice and reporting law.

<u>NEW SECTION.</u> Sec. 202. A new section is added to chapter 82.08 RCW to be codified between RCW 82.08.052 and 82.08.054 to read as follows:

(1)(a)(i) Except as provided in (a)(ii) of this subsection, beginning January 1, 2018, and for any calendar year thereafter, remote sellers, referrers, and marketplace facilitators meeting the criteria in subsection (2) of this section or that have a physical presence in this state, must elect to either collect and remit retail sales or use tax on all taxable retail sales into this state pursuant to this chapter and chapters 82.12 and 82.32 RCW or comply with section 205 of this act.

(ii) Until January 1, 2020, the requirement under (a)(i) of this subsection (1) to collect and remit tax or comply with section 205 of this act does not apply with respect to the retail sale of digital products and digital codes, other than (A)

specified digital products and digital games and (B) digital codes used to redeem specified digital products and digital games, by a marketplace seller through a marketplace facilitator or directly resulting from a referral.

(b) For marketplace facilitators, the election provided in (a) of this subsection (1) applies only with respect to:

(i) Retail sales through the marketplace facilitator's marketplace by or on behalf of marketplace sellers who do not have a physical presence in this state; and

(ii) A marketplace facilitator's own retail sales, if the marketplace facilitator does not have a physical presence in this state.

(c)(i) For referrers, the election provided in (a) of this subsection (1) applies only with respect to:

(A) Retail sales directly resulting from a referral of the purchaser to a marketplace seller who does not have a physical presence in this state; and

(B) A referrer's own retail sales, if the referrer does not have a physical presence in this state.

(ii) A referrer may make different elections with respect to retail sales described in (c)(i)(A) and (B) of this subsection.

(d) An election under (a) of this subsection (1) to collect retail sales or use tax is binding on the remote seller, referrer, or marketplace facilitator until January 1st of the calendar year that is at least twelve consecutive months after the remote seller, referrer, or marketplace facilitator began collecting retail sales or use tax under such election. A remote seller, referrer, or marketplace facilitator who has made an election under this subsection to collect retail sales or use tax may change its election and comply with section 205 of this act by providing written notice to the department in a form and manner required by the department. Such an election change may take effect only on the first day of the calendar year that is at least thirty days following the date that the department received written notice from the remote seller, referrer, or marketplace facilitator of its change in election.

(e)(i) Remote sellers, referrers, and marketplace facilitators complying with section 205 of this act may change their election under this subsection (1) at any time by collecting and remitting retail sales or use taxes under this chapter or chapter 82.12 RCW on taxable retail sales sourced to this state. Such an election is binding as provided in (d) of this subsection (1).

(ii) Remote sellers, referrers, and marketplace facilitators electing for the first time to collect retail sales or use tax must begin collecting state and local retail sales or use taxes on taxable retail sales sourced to this state beginning on the first day of the calendar month that is at least thirty days from the date that the remote seller, referrer, or marketplace facilitator met either threshold described in subsection (2) of this section.

(f) If the department discovers that any remote seller, referrer, or marketplace facilitator required to make an election under this subsection (1) is not registered with the department and collecting retail sales or use tax, the remote seller, referrer, or marketplace facilitator is conclusively presumed to have elected to comply with the notice and reporting requirements of section 205 of this act.

(2)(a) A remote seller is subject to subsection (1) of this section if, during the current or immediately preceding calendar year, its gross receipts from retail sales sourced to this state under RCW 82.32.730 are at least ten thousand dollars.

(b) A marketplace facilitator is subject to subsection (1) of this section if, during the current or immediately preceding calendar year, the gross receipts from retail sales sourced to this state under RCW 82.32.730 by the marketplace facilitator, whether in its own name or as an agent of a marketplace seller, total at least ten thousand dollars.

(c) A referrer is subject to subsection (1) of this section if, during the current or immediately preceding calendar year, the gross income of the business received from the referrer's referral services apportioned to Washington under RCW 82.04.462, whether or not subject to tax under chapter 82.04 RCW, and from retail sales sourced to this state under RCW 82.32.730, if any, is at least two hundred sixty-seven thousand dollars.

(3) This section is subject to the provisions of section 214 of this act.

(4) For the purposes of this section, "marketplace facilitator," "referral," "referrer," and "remote seller" have the same meaning as provided in section 204 of this act.

<u>NEW SECTION.</u> Sec. 203. A new section is added to chapter 82.08 RCW to be codified between section 202 of this act and RCW 82.08.054 to read as follows:

(1)(a) For purposes of this chapter and chapter 82.12 RCW, a marketplace facilitator or referrer is deemed to be an agent of any marketplace seller making retail sales through the marketplace facilitator's physical or electronic marketplace or directly resulting from a referral of the purchaser by the referrer.

(b) In addition to other applicable recordkeeping requirements, the department may require a marketplace facilitator or referrer to provide or make available to the department any information the department determines is reasonably necessary to enforce the provisions of this chapter and chapter 82.---RCW (the new chapter created in section 601 of this act). Such information may include documentation of sales made by marketplace sellers through the marketplace facilitator's physical or electronic marketplace or directly resulting from a referral by the referrer. The department may prescribe by rule the form and manner for providing this information.

(2) A marketplace facilitator or referrer is relieved of liability under this chapter and chapter 82.12 RCW for failure to collect the correct amount of tax to the extent that the marketplace facilitator or referrer can show to the department's satisfaction that the error was due to incorrect information given to the marketplace facilitator or referrer by the marketplace seller, unless the marketplace facilitator, or referrer, and marketplace seller are affiliated persons. Where the marketplace facilitator or referrer is relieved of liability under this subsection (2), the marketplace seller is solely liable for the amount of uncollected tax due.

(3)(a) Subject to the limits in (b) and (c) of this subsection (3), a marketplace facilitator or referrer is relieved of liability under this chapter and chapter 82.12 RCW for the failure to collect tax on taxable retail sales to the extent that the marketplace facilitator or referrer can show to the department's satisfaction that:

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(i) The taxable retail sale was made through the marketplace facilitator's marketplace or directly resulting from a referral of the purchaser by the referrer;

(ii) The taxable retail sale was made solely as the agent of a marketplace seller, and the marketplace facilitator, or referrer, and marketplace seller are not affiliated persons; and

(iii) The failure to collect sales tax was not due to an error in sourcing the sale under RCW 82.32.730.

(b) Liability relief for a marketplace facilitator under (a) of this subsection (3) for a calendar year is limited as follows:

(i) For calendar year 2018, the liability relief may not exceed ten percent of the total tax due under this chapter and chapter 82.12 RCW on taxable retail sales by the marketplace facilitator as agent of a marketplace seller and sourced to this state under RCW 82.32.730 during the same calendar year.

(ii) For calendar years 2019, 2020, 2021, 2022, and 2023, the liability relief may not exceed five percent of the total tax due under this chapter and chapter 82.12 RCW on taxable retail sales by the marketplace facilitator as agent of a marketplace seller and sourced to this state under RCW 82.32.730 during the same calendar year.

(iii) Beginning in calendar year 2024, the liability relief may not exceed three percent of the total tax due under this chapter and chapter 82.12 RCW on taxable retail sales by the marketplace facilitator as agent of a marketplace seller and sourced to this state under RCW 82.32.730 during the same calendar year.

(c) Liability relief for a referrer under (a) of this subsection (3) for a calendar year is limited as follows:

(i) For calendar year 2018, the liability relief may not exceed ten percent of the total tax due under this chapter and chapter 82.12 RCW on taxable retail sales directly resulting from a referral of the purchaser to the marketplace seller by the referrer and sourced to this state under RCW 82.32.730 during the same calendar year.

(ii) For calendar years 2019, 2020, 2021, 2022, and 2023, the liability relief may not exceed five percent of the total tax due under this chapter and chapter 82.12 RCW on taxable retail sales directly resulting from a referral of the purchaser to the marketplace seller by the referrer and sourced to this state under RCW 82.32.730 during the same calendar year.

(iii) Beginning in calendar year 2024, the liability relief may not exceed three percent of the total tax due under this chapter and chapter 82.12 RCW on taxable retail sales directly resulting from a referral of the purchaser to the marketplace seller by the referrer and sourced to this state under RCW 82.32.730 during the same calendar year.

(d) Where the marketplace facilitator or referrer is relieved of liability under this subsection (3), the marketplace seller is also relieved of liability for the amount of uncollected tax due, subject to the limitations in subsection (4) of this section.

(e) The department may by rule determine the manner in which a taxpayer may claim the liability relief provided under this subsection.

(4) Except as otherwise provided in this section, a marketplace seller obligated or electing to collect the taxes imposed under this chapter and chapter 82.12 RCW is not required to collect such taxes on all taxable retail sales through a marketplace operated by a marketplace facilitator or directly resulting

from a referral of the purchaser to the marketplace seller by the referrer if the marketplace seller has obtained documentation from the marketplace facilitator or referrer indicating that the marketplace facilitator or referrer is registered with the department and will collect all applicable taxes due under this chapter and chapter 82.12 RCW on all taxable retail sales made on behalf of the marketplace seller through the marketplace operated by the marketplace facilitator or taxable retail sales directly resulting from a referral of the purchaser to the marketplace seller by the referrer. The documentation required by this subsection (4) must be provided in a form and manner prescribed by or acceptable to the department. This subsection (4) does not relieve a marketplace seller from liability for uncollected taxes due under this chapter or chapter 82.12 RCW resulting from a marketplace facilitator's or referrer's failure to collect the proper amount of tax due when the error was due to incorrect information given to the marketplace facilitator or referrer by the marketplace seller.

(5) Except as otherwise provided in this section, a marketplace seller that is also a remote seller subject to section 202(1) of this act is relieved of its obligation to collect sales or use taxes imposed under section 202 of this act with respect to all taxable retail sales through a marketplace operated by a marketplace facilitator that provides the marketplace seller with written confirmation that the marketplace facilitator has elected to comply with the notice and reporting requirements of section 205 of this act in lieu of collecting sales and use taxes.

(6) Notwithstanding subsections (4) and (5) of this section, a marketplace seller is not relieved of the obligation to collect taxes imposed under this chapter and chapter 82.12 RCW or comply with section 202 of this act with respect to retail sales of digital products and digital codes, other than (a) specified digital products and digital games and (b) digital codes used to redeem specified digital products and digital games, until January 1, 2020.

(7) No class action may be brought against a marketplace facilitator or referrer in any court of this state on behalf of purchasers arising from or in any way related to an overpayment of sales or use tax collected by the marketplace facilitator or referrer, regardless of whether that claim is characterized as a tax refund claim. Nothing in this subsection affects a purchaser's right to seek a refund from the department as provided under chapter 82.32 RCW.

(8) Nothing in this section affects the obligation of any purchaser to remit sales or use tax as to any applicable taxable transaction in which the seller or the seller's agent does not collect and remit sales tax.

(9) This section is subject to the provisions of section 214 of this act.

(10) The definitions in section 204 of this act apply to this section.

<u>NEW SECTION.</u> Sec. 204. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Affiliated person" means a person that, with respect to another person:

(a) Has an ownership interest of more than five percent, whether direct or indirect, in the other person; or

(b) Is related to the other person because a third person, or group of third persons who are affiliated persons with respect to each other, holds an ownership interest of more than five percent, whether direct or indirect, in the related persons.

(2) "Consumer" has the same meaning as provided in chapters 82.04, 82.08, and 82.12 RCW.

(3) "Marketplace facilitator" means a person that contracts with sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale of the seller's products through a physical or electronic marketplace operated by the person, and engages:

(a) Directly or indirectly, through one or more affiliated persons in any of the following:

(i) Transmitting or otherwise communicating the offer or acceptance between the buyer and seller;

(ii) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and sellers together;

(iii) Providing a virtual currency that buyers are allowed or required to use to purchase products from the seller; or

(iv) Software development or research and development activities related to any of the activities described in (b) of this subsection (3), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and

(b) In any of the following activities with respect to the seller's products:

(i) Payment processing services;

(ii) Fulfillment or storage services;

(iii) Listing products for sale;

(iv) Setting prices;

(v) Branding sales as those of the marketplace facilitator;

(vi) Order taking;

(vii) Advertising or promotion; or

(viii) Providing customer service or accepting or assisting with returns or exchanges.

(4) "Marketplace seller" means a seller that makes retail sales through any physical or electronic marketplaces operated by a marketplace facilitator or directly resulting from a referral by a referrer, regardless of whether the seller is required to be registered with the department as provided in RCW 82.32.030.

(5) "Platform" means an electronic or physical medium, including a web site or catalog, operated by a referrer.

(6) "Product" has the same meaning as provided in RCW 82.32.023.

(7) "Purchaser" means any consumer who purchases or leases a product sourced to this state under RCW 82.32.730.

(8) "Referral" means the transfer by a referrer of a potential customer to a marketplace seller who advertises or lists products for sale on the referrer's platform.

(9)(a) "Referrer" means a person, other than a person engaging in the business of printing a newspaper or publishing a newspaper as defined in RCW 82.04.214, who contracts or otherwise agrees with a seller to list or advertise for sale one or more items in any medium, including a web site or catalog; receives a commission, fee, or other consideration from the seller for the listing or advertisement; transfers, via telephone, internet link, or other means, a purchaser to a seller or an affiliated person to complete the sale; and does not collect receipts from the purchasers for the transaction.

(b) "Referrer" does not include a person that:

(i) Provides internet advertising services; and

(ii) Does not ever provide either the marketplace seller's shipping terms or advertise whether a marketplace seller charges sales tax.

(10) "Remote seller" means any seller, other than a marketplace facilitator or referrer, who does not have a physical presence in this state and makes retail sales to purchasers.

(11) "Retail sale" and "sale" have the same meaning as provided in chapter 82.04 RCW.

(12) "Seller" has the same meaning as in RCW 82.08.010 and includes marketplace facilitators, whether making sales in their own right or on behalf of marketplace sellers, and referrers.

<u>NEW SECTION</u>. Sec. 205. (1) Except as otherwise provided in subsection (5) of this section, a seller that does not collect the tax imposed under chapter 82.08 or 82.12 RCW on a taxable retail sale must comply with the applicable notice and reporting requirements of this section. For taxable retail sales made through a marketplace facilitator, or other agent, the marketplace facilitator, or other agent must comply with the notice and reporting requirements of this section, and the principal is not subject to the notice and reporting requirements of this section with respect to those sales. If the referrer makes an election to comply with the applicable notice and reporting requirements of this section, marketplace sellers to whom a referral is made by the referrer remain subject to the applicable notice and reporting requirements under this section for their sales unless the marketplace sellers collect the tax imposed under chapter 82.08 or 82.12 RCW on taxable retail sales sourced to this state under RCW 82.32.730.

(2)(a) A seller, other than a referrer acting in its capacity as a referrer, subject to the notice and reporting requirements of this section must:

(i) Post a conspicuous notice on its marketplace, platform, web site, catalog, or any other similar medium that informs Washington purchasers that:

(A) Sales or use tax is due on certain purchases;

(B) Washington requires the purchaser to file a use tax return; and

(C) The notice is provided under the requirements of this section; and

(ii) Provide a notice to each consumer at the time of each retail sale. The notice under this subsection (2)(a)(ii) must include the following information:

(A) A statement that neither sales nor use tax is being collected or remitted upon the sale;

(B) A statement that the consumer may be required to remit sales or use tax directly to the department; and

(C) Instructions for obtaining additional information from the department regarding whether and how to remit the sales or use tax to the department.

(b) The notice under (a)(ii) of this subsection (2) must be prominently displayed on all invoices and order forms including, where applicable, electronic and catalog invoices and order forms, and upon each sales receipt or similar document provided to the purchaser, whether in paper or electronic form. No indication may be made that sales or use tax is not imposed upon the transaction, unless:

(i) Such indication is followed immediately with the notice required by (a)(ii) of this subsection (2); or

(ii) The transaction with respect to which the indication is given is exempt from sales and use tax pursuant to law.

(3) A referrer subject to the notice and reporting requirements of this section must:

(a) Post a conspicuous notice on its platform that informs Washington purchasers:

(i) That sales or use tax is due on certain purchases;

(ii) That the seller may or may not collect and remit retail sales tax on a purchase;

(iii) That Washington requires the purchaser to file a use tax return if retail sales tax is not assessed at the time of a taxable sale by the seller;

(iv) That the notice is provided under the requirements of this section;

(v) Of the instructions for obtaining additional information from the department regarding whether and how to remit the sales or use tax to the department; and

(vi) That if the seller to whom the purchaser is referred does not collect retail sales tax on a subsequent purchase by the purchaser, the seller may be required to provide information to the purchaser and the department about the purchaser's potential sales or use tax liability.

(b) The notice under (a) of this subsection (3) must be prominently displayed on the platform and may include pop-up boxes or notification by other means that appear when the referrer transfers a purchaser to a marketplace seller or an affiliated person to complete the sale.

(4)(a) A seller, other than a referrer acting in its capacity as a referrer, subject to the notice and reporting requirements of subsection (2) of this section must, no later than February 28th of each year, provide a report to each consumer for whom the seller was required to provide a notice under subsection (2)(a)(ii) of this section.

(b) The report under this subsection (4) must include:

(i) A statement that the seller did not collect sales or use tax on the consumer's transactions with the seller and that the consumer may be required to remit such tax directly to the department;

(ii) A list, by date, generally indicating the type of product purchased or leased during the immediately preceding calendar year by the consumer from the seller, sourced to this state under RCW 82.32.730, and the price of each product;

(iii) Instructions for obtaining additional information from the department regarding whether and how to remit the sales or use tax to the department;

(iv) A statement that the seller is required to submit a report to the department pursuant to subsection (6) of this section stating the total dollar amount of the consumer's purchases from the seller; and

(v) Any information as the department may reasonably require.

(c)(i) The report required under this subsection (4) must be sent to the consumer's billing address or, if unknown, the consumer's shipping address, by first-class mail, in an envelope marked prominently with words indicating important tax information is enclosed.

(ii) If no billing or shipping address is known, the report must be sent electronically to the consumer's last known email address with a subject heading indicating important tax information is enclosed.

(5)(a) A referrer subject to the notice requirements under subsection (3) of this section must, no later than February 28th of each year, provide notice to

each marketplace seller to whom the referrer transferred a potential purchaser located in Washington during the previous calendar year.

(b) The notice under this subsection (5) must include:

(i) A statement that Washington imposes a sales or use tax on retail sales;

(ii) A statement that a seller, meeting the threshold in section 202(2) of this act, is required to either collect and remit retail sales or use tax on all taxable retail sales sourced to this state under RCW 82.32.730 or to comply with this section; and

(iii) Instructions for obtaining additional information from the department.

(c) By February 28th of each year, a referrer required to provide the notice under this subsection must provide the department with:

(i) A list of sellers who received the referrer's notice under this subsection. The information must be provided electronically in a form and manner required by the department.

(ii) An affidavit signed under penalty of perjury from an officer of the referrer affirming that the referrer made reasonable efforts to comply with the applicable sales and use tax notice and reporting requirements of this section.

(6)(a) A seller, other than a referrer acting in its capacity as a referrer, subject to the notice and reporting requirements of this section must, no later than February 28th of each year, file a report with the department.

(b) The report under this subsection (6) must include, with respect to each consumer to whom the seller is required to provide a report under subsection (4) of this section by February 28th of the current calendar year:

(i) The consumer's name;

(ii) The billing address and, if different, the last known mailing address;

(iii) The shipping address for each product sold or leased to such consumer for delivery to a location in this state during the immediately preceding calendar year; and

(iv) The total dollar amount of all such purchases by such consumer.

(c) The report under this subsection (6) must also include an affidavit signed under penalty of perjury from an officer of the seller affirming that the seller made reasonable efforts to comply with the applicable sales and use tax notice and reporting requirements in this section.

(d) Except for the affidavit, the report under this subsection (6) must be filed electronically in a form and manner required by the department.

(7) A seller who is registered with the department to collect and remit retail sales and use tax, and who makes a reasonable effort to comply with the requirements of RCW 82.08.050 and 82.12.040, is not required to provide notice or file reports under this section.

(8) Every seller subject to this chapter must keep and preserve, for a period of five years, suitable records as may be necessary for the department to verify the seller's compliance with this chapter. All of the seller's books, records, and invoices must be open for examination at any reasonable time by the department. The department may require the attendance of any officer of the seller or any employee of the seller having knowledge pertinent to the department's investigation of the seller's compliance with this chapter, at a time and place fixed in a subpoena issued under RCW 82.32.117, and may take the person's testimony under oath.

(9) In exercising discretion in enforcing the provisions of this chapter, the department may take into consideration available resources, whether the anticipated benefits from any potential enforcement activities are likely to exceed the department's expected enforcement costs, and any other factors the department deems appropriate.

<u>NEW SECTION.</u> Sec. 206. (1)(a) The department must assess a penalty against any seller, other than a referrer acting in its capacity as a referrer, that fails to provide notice to consumers pursuant to section 205(2)(a) of this act, in addition to any other applicable penalties, in the amount of twenty thousand dollars. The department may assess the penalty under this subsection only once per calendar year, regardless of the number of notices a seller fails to provide pursuant to section 205(2)(a) of this act during the calendar year. The department may apply this penalty at any time during a calendar year and no more frequently than annually.

(b) The department must assess a penalty against any referrer that fails to provide notice to consumers pursuant to section 205(3) of this act, in addition to any other applicable penalties, in the amount of twenty thousand dollars. The department may apply this penalty at any time during a calendar year and no more frequently than annually.

(2)(a) The department must assess a penalty against a seller who fails to provide a report as required by section 205 (4) or (5) of this act, in addition to any other applicable penalties, as follows:

(i) Five thousand dollars if the gross receipts of the seller and through the seller's marketplace from retail sales sourced to this state under RCW 82.32.730 are less than fifty thousand dollars for the calendar year for which the report was required to be made;

(ii) Ten thousand dollars if the gross receipts of the seller and through the seller's marketplace from retail sales sourced to this state under RCW 82.32.730 are at least fifty thousand dollars but less than one hundred fifty thousand dollars;

(iii) Fifty thousand dollars if the gross receipts of the seller and through the seller's marketplace from retail sales sourced to this state under RCW 82.32.730 are at least one hundred fifty thousand dollars but less than three hundred thousand dollars; or

(iv) If the gross receipts of the seller and through the seller's marketplace from retail sales sourced to this state under RCW 82.32.730 are three hundred thousand dollars or greater, one hundred thousand dollars plus twenty thousand dollars for every fifty thousand dollars in gross receipts over three hundred thousand dollars.

(b) The department must assess a penalty against a referrer who fails to provide the notice and list required by section 205(5) of this act, in addition to any other applicable penalties. The department may assess the penalty under this subsection only once per calendar year, regardless of the number of failures to comply with section 205(5) of this act during the calendar year. The amount of the penalties assessed are as follows:

(i) Fifty thousand dollars if the gross income of the referrer is at least two hundred sixty-seven thousand dollars but less than three hundred thousand dollars of the gross income of the business received from the referrer's referral services apportioned to Washington under RCW 82.04.460, whether or not subject to tax under chapter 82.04 RCW, for the calendar year for which the notice and list was required to be made; or

(ii) If the gross income of the referrer is three hundred thousand dollars or greater, one hundred thousand dollars plus twenty thousand dollars for every fifty thousand dollars in gross income over three hundred thousand dollars of the gross income of the business received from the referrer's referral services apportioned to Washington under RCW 82.04.460, whether or not subject to tax under chapter 82.04 RCW, for the calendar year for which the notice and list was required to be made.

(3) The department must assess a penalty against any seller, other than a referrer acting in its capacity as a referrer, who fails to provide a report to the department as required by section 205(6) of this act, in addition to any other applicable penalties, in the amount of twenty-five dollars multiplied by the number of consumers that should have been included on such report, but not less than twenty thousand dollars for any calendar year.

(4) The penalties imposed under subsections (1) through (3) of this section are cumulative.

(5) No penalty may be imposed by the department under subsections (1) through (4) of this section more than four years after the close of the calendar year in which the notice or report giving rise to the penalty was required to have been provided. This subsection (5) does not apply to penalties reassessed under subsection (9) of this section.

(6) When assessing a penalty under this section, the department may use any reasonable estimation technique where necessary or appropriate to determine the amount of any penalty.

(7) Interest accrues on the amount of the total penalty that has been assessed under this section until the total penalty amount is paid in full. Interest imposed under this section must be computed and assessed as provided in RCW 82.32.050 as if the penalty imposed under this subsection was a tax liability.

(8) The department must notify a seller by mail, or electronically as provided in RCW 82.32.135, of the amount of any penalty and interest due under this section. Amounts due under this section must be paid in full within thirty days from the date of the notice, or within such further time as the department may provide in its sole discretion.

(9)(a)(i) A seller is entitled to a conditional waiver of penalties and interest imposed under this section if the seller enters into a written agreement with the department electing to collect retail sales or use tax or fully comply with all applicable notice and reporting requirements of this chapter, beginning by a date acceptable to the department. An election to collect retail sales or use tax must be for a period of at least twelve consecutive months and is subject to the provisions of section 202(1)(d) of this act.

(ii) The department may grant a waiver of penalties and interest under this subsection (9)(a) for penalties and interest assessed for a seller's failure to comply with the notice and reporting requirements for one or more violations.

(iii) The department may not grant more than one request by a seller for a waiver of penalties and interest under this subsection (9)(a).

(iv) The department must reassess penalties and interest conditionally waived under this subsection (9)(a) if the department finds that, after the date

that the seller agreed to fully comply with the applicable notice and reporting requirements of this chapter, the seller failed to:

(A) Provide notice under section 205(2)(a)(ii) of this act to at least ninety percent of the consumers entitled to such notice in any given calendar year or portion of the initial calendar year in which the agreement required under this subsection was in effect if the agreement was in effect for less than the entire calendar year;

(B) Timely provide the reports required under section 205(4) of this act to all consumers who received notice from the seller under section 205(2)(a)(ii) of this act during any calendar year, unless the department finds that any such failure was due to circumstances beyond the seller's control;

(C) Timely provide the reports required under section 205(6) of this act during any calendar year, unless the department finds that any such failure was due to circumstances beyond the seller's control; or

(D) With respect to referrers, timely provide the notice required under section 205(3) of this act and the notice and list required under section 205(5) of this act during any calendar year, unless the department finds that any such failure was due to circumstances beyond the referrer's control.

(v) The department must reassess penalties and interest conditionally waived under this subsection (9)(a) if the department finds that, after the date that the seller elected to collect retail sales or use tax, the seller failed to register with the department and make a reasonable effort to comply with the requirements of RCW 82.08.050 and 82.12.040.

(vi) The department may not reassess penalties and interest conditionally waived under this subsection (9)(a) more than four calendar years following the calendar year in which the department granted the conditional waiver under this subsection (9)(a).

(vii) The provisions of subsection (8) of this section apply to penalties and interest reassessed under this subsection (9)(a). The department may add additional interest on penalties reassessed under this subsection (9)(a) only if the total amount of penalties reassessed under this subsection (9)(a) is not paid in full by the date due.

(b) The department must waive penalties and interest imposed under this section if the department determines that the failure of the seller to fully comply with the notice or reporting requirements was due to circumstances beyond the seller's control.

(c) The department may waive penalties imposed under this section if the department determines that the failure of the seller to fully comply with the notice or reporting requirements was due to reasonable cause and not willful neglect. In determining whether reasonable cause exists, the department will consider, among other relevant factors, whether: (i) The failure was due to willful or reckless disregard of the seller's notice or reporting obligations; (ii) the seller made subsequent efforts to avoid future noncompliance; and (iii) the magnitude of the noncompliance was significant in terms of dollars and time when accounting for the seller's size and volume of transactions. On appeal, a court or the board of tax appeals must give great deference to the department's decision, unless the taxpayer can show by clear, cogent, and convincing evidence that the department's decision lacked any reasonable basis.

(d) A request for a waiver of penalties and interest under this subsection must be received by the department in writing and before the penalties and interest for which a waiver is requested are due pursuant to subsection (8) of this section. The department must deny any request for a waiver of penalties and interest that does not fully comply with the provisions of this subsection (9)(d).

<u>NEW SECTION.</u> Sec. 207. Chapter 82.32 RCW applies to the administration of this chapter.

<u>NEW SECTION.</u> Sec. 208. Nothing in this chapter relieves sellers or consumers who are subject to chapter 82.08 or 82.12 RCW from any responsibilities imposed under those chapters. Nor does anything in this chapter prevent the department from administering and enforcing the taxes imposed under chapter 82.08 or 82.12 RCW with respect to any seller or consumer who is subject to such taxes.

<u>NEW SECTION.</u> Sec. 209. A new section is added to chapter 82.32 RCW to be codified between RCW 82.32.045 and 82.32.050 to read as follows:

(1) Except as otherwise provided in this section, taxes imposed under chapter 82.08 or 82.12 RCW and payable by a consumer directly to the department are due, on returns prescribed by the department, by the earlier of April 1st of the calendar year immediately following the calendar year in which the sale or use occurred or within thirty days of the date of a notice from the department that tax may be due.

(2) This section does not apply to the reporting and payment of taxes imposed under chapters 82.08 and 82.12 RCW:

(a) On the retail sale or use of motor vehicles, vessels, or aircraft; or

(b) By consumers who are engaged in business, unless the department has relieved the consumer of the requirement to file returns pursuant to RCW 82.32.045(4).

<u>NEW SECTION.</u> Sec. 210. A new section is added to chapter 82.32 RCW to read as follows:

(1) A remote seller, referrer, or marketplace facilitator that is subject to section 202 of this act and is complying with the requirements of chapters 82.08 and 82.12 RCW may only seek a recovery of retail sales and use taxes, penalties, or interest from the department by following the recovery procedures established under RCW 82.32.060. However, no claim may be granted on the basis that the taxpayer lacked a physical presence in this state and complied with the tax collection provisions of chapters 82.08 and 82.12 RCW voluntarily.

(2) Neither the state nor any seller who elects under section 202 of this act to collect and remit retail sales or use tax is liable to a purchaser who claims that the retail sales or use tax has been over-collected because a provision of chapter . . . , Laws of 2017 3rd sp. sess. (this act) is later deemed unlawful.

(3) Nothing in chapter . . ., Laws of 2017 3rd sp. sess. (this act) affects the obligation of any purchaser from this state to remit retail sales or use tax as to any applicable taxable transaction in which the seller does not collect and remit retail sales or use tax.

Sec. 211. RCW 82.08.050 and 2010 c 112 s 8 are each amended to read as follows:

(1) The tax imposed in this chapter must be paid by the buyer to the seller. Each seller must collect from the buyer the full amount of the tax payable in respect to each taxable sale in accordance with the schedule of collections adopted by the department under the provisions of RCW 82.08.060.

(2) The tax required by this chapter, to be collected by the seller, is deemed to be held in trust by the seller until paid to the department. Any seller who appropriates or converts the tax collected to the seller's own use or to any use other than the payment of the tax to the extent that the money required to be collected is not available for payment on the due date as prescribed in this chapter is guilty of a gross misdemeanor.

(3) Except as otherwise provided in this section, if any seller fails to collect the tax imposed in this chapter or, having collected the tax, fails to pay it to the department in the manner prescribed by this chapter, whether such failure is the result of the seller's own acts or the result of acts or conditions beyond the seller's control, the seller is, nevertheless, personally liable to the state for the amount of the tax.

(4) Sellers are not relieved from personal liability for the amount of the tax unless they maintain proper records of exempt or nontaxable transactions and provide them to the department when requested.

(5) Sellers are not relieved from personal liability for the amount of tax if they fraudulently fail to collect the tax or if they solicit purchasers to participate in an unlawful claim of exemption.

(6) Sellers are not relieved from personal liability for the amount of tax if they accept an exemption certificate from a purchaser claiming an entity-based exemption if:

(a) The subject of the transaction sought to be covered by the exemption certificate is actually received by the purchaser at a location operated by the seller in Washington; and

(b) Washington provides an exemption certificate that clearly and affirmatively indicates that the claimed exemption is not available in Washington. Graying out exemption reason types on a uniform form and posting it on the department's web site is a clear and affirmative indication that the grayed out exemptions are not available.

(7)(a) Sellers are relieved from personal liability for the amount of tax if they obtain a fully completed exemption certificate or capture the relevant data elements required under the streamlined sales and use tax agreement within ninety days, or a longer period as may be provided by rule by the department, subsequent to the date of sale.

(b) If the seller has not obtained an exemption certificate or all relevant data elements required under the streamlined sales and use tax agreement within the period allowed subsequent to the date of sale, the seller may, within one hundred twenty days, or a longer period as may be provided by rule by the department, subsequent to a request for substantiation by the department, either prove that the transaction was not subject to tax by other means or obtain a fully completed exemption certificate from the purchaser, taken in good faith.

(c) Sellers are relieved from personal liability for the amount of tax if they obtain a blanket exemption certificate for a purchaser with which the seller has a recurring business relationship. The department may not request from a seller renewal of blanket exemption certificates or updates of exemption certificate information or data elements if there is a recurring business relationship between the buyer and seller. For purposes of this subsection (7)(c), a "recurring business

relationship" means at least one sale transaction within a period of twelve consecutive months.

(d) Sellers are relieved from personal liability for the amount of tax if they obtain a copy of a direct pay permit issued under RCW 82.32.087.

(8) The amount of tax, until paid by the buyer to the seller or to the department, constitutes a debt from the buyer to the seller. Any seller who 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 buyer who refuses to pay any tax due under this chapter is guilty of a misdemeanor.

(9) Except as otherwise provided in this subsection, the tax required by this chapter to be collected by the seller must be stated separately from the selling price in any sales invoice or other instrument of sale. On all retail sales through vending machines, the tax need not be stated separately from the selling price or collected separately from the buyer. Except as otherwise provided in this subsection, for purposes of determining the tax due from the buyer to the seller and from the seller to the department it must be conclusively presumed that the selling price quoted in any price list, sales document, contract or other agreement between the parties does not include the tax imposed by this chapter. But if the seller advertises the price as including the tax or that the seller is paying the tax, the advertised price may not be considered the selling price.

(10) Where a buyer has failed to pay to the seller the tax imposed by this chapter and the seller has not paid the amount of the tax to the department, the department may, in its discretion, proceed directly against the buyer for collection of the tax. If the department proceeds directly against the buyer for collection of the tax as authorized in this subsection, the department may add a penalty of ten percent of the unpaid tax to the amount of the tax due for failure of the buyer to pay the tax to the seller, regardless of when the tax may be collected by the department. In addition to the penalty authorized in this subsection, all of the provisions of chapter 82.32 RCW, including those relative to interest and penalties, apply. For the sole purpose of applying the various provisions of chapter 82.32 RCW, the twenty-fifth day of the month following the tax period in which the purchase was made will be considered as the due date of the tax.

(11) ((Notwithstanding subsections (1) through (10) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if:

(a) The person's activities in this state, whether conducted directly or through another person, are limited to:

(i) The storage, dissemination, or display of advertising;

(ii) The taking of orders; or

(iii) The processing of payments; and

(b) The activities are conducted electronically via a web site on a server or other computer equipment located in Washington that is not owned or operated by the person making sales into this state nor owned or operated by an affiliated person. "Affiliated persons" has the same meaning as provided in RCW 82.04.424.

(12) Subsection (11) of this section expires when: (a) The United States congress grants individual states the authority to impose sales and use tax collection duties on remote sellers; or (b) it is determined by a court of eompetent jurisdiction, in a judgment not subject to review, that a state can impose sales and use tax collection duties on remote sellers.

(13) For purposes of this section:)) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Exemption certificate" means documentation furnished by a buyer to a seller to claim an exemption from sales tax. An exemption certificate includes a reseller permit or other documentation authorized in RCW 82.04.470 furnished by a buyer to a seller to substantiate a wholesale sale((; and)).

(b) "Seller" includes a certified service provider, as defined in RCW 82.32.020, acting as agent for the seller.

Sec. 212. RCW 82.12.040 and 2015 c 169 s 9 are each amended to read as follows:

(1) Every person who ((maintains in this state a place of business or a stock of goods, or engages in business activities within this state)) is subject to a collection obligation under chapter 82.08 RCW, except a person making a valid election to comply with the notice and reporting provisions of section 205 of this act, must obtain from the department a certificate of registration, and must, at the time of making sales of tangible personal property, digital goods, digital codes, digital automated services, extended warranties, or sales of any service defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)(((b))) (c), or making transfers of either possession or title, or both, of tangible personal property for use in this state, collect from the purchasers or transferees the tax imposed under this chapter. The tax to be collected under this section must be in an amount equal to the purchase price multiplied by the rate in effect for the retail sales tax under RCW 82.08.020. ((For the purposes of this chapter, the phrase "maintains in this state a place of business" includes the solicitation of sales and/or taking of orders by sales agents or traveling representatives. For the purposes of this chapter, "engages in business activity within this state" includes every activity which is sufficient under the Constitution of the United States for this state to require collection of tax under this chapter. The department must in rules specify activities which constitute engaging in business activity within this state, and must keep the rules current with future court interpretations of the Constitution of the United States.))

(2) Every person who engages in this state in the business of acting as an independent selling agent for persons who do not hold a valid certificate of registration, and who receives compensation by reason of sales of tangible personal property, digital goods, digital codes, digital automated services, extended warranties, or sales of any service defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)(( $\frac{(b)}{(b)}$ )) (c), of his or her principals for use in this state, must, at the time such sales are made, collect from the purchasers the tax imposed on the purchase price under this chapter, and for that purpose is deemed a retailer as defined in this chapter.

(3) The tax required to be collected by this chapter is deemed to be held in trust by the retailer until paid to the department, and any retailer who appropriates or converts the tax collected to the retailer's own use or to any use other than the payment of the tax provided herein to the extent that the money required to be collected is not available for payment on the due date as prescribed is guilty of a misdemeanor. In case any seller fails to collect the tax herein imposed or having collected the tax, fails to pay the same to the

department in the manner prescribed, whether such failure is the result of the seller's own acts or the result of acts or conditions beyond the seller's control, the seller is nevertheless personally liable to the state for the amount of such tax, unless the seller has taken from the buyer a copy of a direct pay permit issued under RCW 82.32.087.

(4) Any retailer who refunds, remits, or rebates to a purchaser, or transferee, either directly or indirectly, and by whatever means, all or any part of the tax levied by this chapter is guilty of a misdemeanor.

(5) ((Notwithstanding subsections (1) through (4) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if:

(a) The person's activities in this state, whether conducted directly or through another person, are limited to:

(i) The storage, dissemination, or display of advertising;

(ii) The taking of orders; or

(iii) The processing of payments; and

(b) The activities are conducted electronically via a web site on a server or other computer equipment located in Washington that is not owned or operated by the person making sales into this state nor owned or operated by an affiliated person. "Affiliated persons" has the same meaning as provided in RCW 82.04.424.

(6) Subsection (5) of this section expires when: (a) The United States congress grants individual states the authority to impose sales and use tax collection duties on remote sellers; or (b) it is determined by a court of competent jurisdiction, in a judgment not subject to review, that a state can impose sales and use tax collection duties on remote sellers.

(7))) Notwithstanding subsections (1) through (4) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if the person would have been obligated to collect retail sales tax on the sale absent a specific exemption provided in chapter 82.08 RCW, and there is no corresponding use tax exemption in this chapter. Nothing in this subsection (((7))) (5) may be construed as relieving purchasers from liability for reporting and remitting the tax due under this chapter directly to the department.

(((8))) (6) Notwithstanding subsections (1) through (4) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if the state is prohibited under the Constitution or laws of the United States from requiring the person to collect the tax imposed by this chapter.

 $(((\frac{9})))$  (7) Notwithstanding subsections (1) through (4) of this section, any licensed dealer facilitating a firearm sale or transfer between two unlicensed persons by conducting background checks under chapter 9.41 RCW is not obligated to collect the tax imposed by this chapter.

Sec. 213. RCW 82.12.040 and 2017 c 323 s 525 are each amended to read as follows:

(1) Every person who ((maintains in this state a place of business or a stock of goods, or engages in business activities within this state)) is subject to a collection obligation under chapter 82.08 RCW, except a person making a valid election to comply with the notice and reporting provisions of section 205 of this act, must obtain from the department a certificate of registration, and must, at the time of making sales of tangible personal property, digital goods, digital codes, digital automated services, extended warranties, or sales of any service defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)(c), or making transfers of either possession or title, or both, of tangible personal property for use in this state, collect from the purchasers or transferees the tax imposed under this chapter. The tax to be collected under this section must be in an amount equal to the purchase price multiplied by the rate in effect for the retail sales tax under RCW 82.08.020. ((For the purposes of this chapter, the phrase "maintains in this state a place of business" includes the solicitation of sales and/or taking of orders by sales agents or traveling representatives. For the purposes of this chapter, "engages in business activity within this state" includes every activity which is sufficient under the Constitution of the United States for this state to require eollection of tax under this chapter. The department must in rules specify activities which constitute engaging in business activity within this state, and must keep the rules current with future court interpretations of the Constitution of the United States.))

(2) Every person who engages in this state in the business of acting as an independent selling agent for persons who do not hold a valid certificate of registration, and who receives compensation by reason of sales of tangible personal property, digital goods, digital codes, digital automated services, extended warranties, or sales of any service defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)(c), of his or her principals for use in this state, must, at the time such sales are made, collect from the purchasers the tax imposed on the purchase price under this chapter, and for that purpose is deemed a retailer as defined in this chapter.

(3) The tax required to be collected by this chapter is deemed to be held in trust by the retailer until paid to the department, and any retailer who appropriates or converts the tax collected to the retailer's own use or to any use other than the payment of the tax provided herein to the extent that the money required to be collected is not available for payment on the due date as prescribed is guilty of a misdemeanor. In case any seller fails to collect the tax herein imposed or having collected the tax, fails to pay the same to the department in the manner prescribed, whether such failure is the result of the seller's own acts or the result of acts or conditions beyond the seller's control, the seller is nevertheless personally liable to the state for the amount of such tax, unless the seller has taken from the buyer a copy of a direct pay permit issued under RCW 82.32.087.

(4) Any retailer who refunds, remits, or rebates to a purchaser, or transferee, either directly or indirectly, and by whatever means, all or any part of the tax levied by this chapter is guilty of a misdemeanor.

(5) ((Notwithstanding subsections (1) through (4) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if:

(a) The person's activities in this state, whether conducted directly or through another person, are limited to:

(i) The storage, dissemination, or display of advertising;

(ii) The taking of orders; or

(iii) The processing of payments; and

(b) The activities are conducted electronically via a web site on a server or other computer equipment located in Washington that is not owned or operated by the person making sales into this state nor owned or operated by an affiliated person. "Affiliated persons" has the same meaning as provided in RCW 82.04.424.

(6) Subsection (5) of this section expires when: (a) The United States congress grants individual states the authority to impose sales and use tax collection duties on remote sellers; or (b) it is determined by a court of competent jurisdiction, in a judgment not subject to review, that a state can impose sales and use tax collection duties on remote sellers.

(7))) Notwithstanding subsections (1) through (4) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if the person would have been obligated to collect retail sales tax on the sale absent a specific exemption provided in chapter 82.08 RCW, and there is no corresponding use tax exemption in this chapter. Nothing in this subsection (((7))) (5) may be construed as relieving purchasers from liability for reporting and remitting the tax due under this chapter directly to the department.

(((8))) (6) Notwithstanding subsections (1) through (4) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if the state is prohibited under the Constitution or laws of the United States from requiring the person to collect the tax imposed by this chapter.

 $(((\frac{9})))$  (7) Notwithstanding subsections (1) through (4) of this section, any licensed dealer facilitating a firearm sale or transfer between two unlicensed persons by conducting background checks under chapter 9.41 RCW is not obligated to collect the tax imposed by this chapter.

<u>NEW SECTION.</u> Sec. 214. A new section is added to chapter 82.32 RCW to read as follows:

(1) If the department determines that a change, taking effect after the effective date of this section, in the streamlined sales and use tax agreement or federal law creates a conflict with any provision of section 202 or 203 of this act, such conflicting provision or provisions of section 202 or 203 of this act, including any related provisions that would not function as originally intended, have no further force and effect as of the date the change in the streamlined sales and use tax agreement or federal law becomes effective.

(2) For purposes of this section:

(a) A change in federal law conflicts with section 202 or 203 of this act if the change clearly allows states to impose greater sales and use tax collection obligations on remote sellers, referrers, or marketplace facilitators than provided for, or clearly prevents states from imposing sales and use tax collection obligations on remote sellers, referrers, or marketplace facilitators to the extent provided for, under section 202 or 203 of this act.

(b) A change in the streamlined sales and use tax agreement conflicts with section 202 or 203 of this act if one or more provisions of section 202 or 203 of this act causes this state to be found out of compliance with the streamlined sales and use tax agreement by its governing board.

(3) If the department makes a determination under this section that a change in federal law or the streamlined sales and use tax agreement conflicts with one or more provisions of section 202 or 203 of this act, the department:

(a) May adopt rules in accordance with chapter 34.05 RCW that are consistent with the streamlined sales and use tax agreement and that impose sales and use tax collection obligations on remote sellers, referrers, or

and (b) Must include information on its web site informing taxpayers and the public (i) of the provision or provisions of section 202 or 203 of this act that will have no further force and effect, (ii) when such change will become effective, and (iii) about how to participate in any rule making conducted by the department in accordance with (a) of this subsection (3).

(4) For purposes of this section, "remote seller," "referrer," and "marketplace facilitator" have the same meaning as provided in section 204 of this act.

### Part III

## Nexus for Excise Tax Purposes

Sec. 301. RCW 82.04.066 and 2015 3rd sp.s. c 5 s 203 are each amended to read as follows:

"Engaging within this state" and "engaging within the state," when used in connection with any apportionable activity as defined in RCW 82.04.460 or ((wholesale sales)) selling activity taxable under RCW 82.04.250(1), 82.04.257(1), or 82.04.270, means that a person generates gross income of the business from sources within this state, such as customers or intangible property located in this state, regardless of whether the person is physically present in this state.

Sec. 302. RCW 82.04.067 and 2016 c 137 s 2 are each amended to read as follows:

(1) A person engaging in business is deemed to have substantial nexus with this state if, in the current or immediately preceding calendar year, the person is:

(a) An individual and is a resident or domiciliary of this state;

(b) A business entity and is organized or commercially domiciled in this state; or

(c) A nonresident individual or a business entity that is organized or commercially domiciled outside this state, and ((in the immediately preceding tax year)) the person had:

(i) More than fifty-three thousand dollars of property in this state;

(ii) More than fifty-three thousand dollars of payroll in this state;

(iii) More than two hundred ((fifty)) sixty-seven thousand dollars of receipts from this state; or

(iv) At least twenty-five percent of the person's total property, total payroll, or total receipts in this state.

(2)(a) Property counting toward the thresholds in subsection (1)(c)(i) and (iv) of this section is the average value of the taxpayer's property, including intangible property, owned or rented and used in this state during the <u>current or</u> immediately preceding ((tax)) <u>calendar</u> year.

(b)(i) Property owned by the taxpayer, other than loans and credit card receivables owned by the taxpayer, is valued at its original cost basis. Loans and credit card receivables owned by the taxpayer are valued at their outstanding principal balance, without regard to any reserve for bad debts. However, if a loan or credit card receivable is charged off in whole or in part for federal income tax purposes, the portion of the loan or credit card receivable charged off is deducted from the outstanding principal balance.

(ii) Property rented by the taxpayer is valued at eight times the net annual rental rate. For purposes of this subsection, "net annual rental rate" means the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals.

(c) The average value of property must be determined by averaging the values at the beginning and ending of the  $((\frac{1}{2}))$  applicable calendar year; but the department may require the averaging of monthly values during the  $((\frac{1}{2}))$  applicable calendar year if reasonably required to properly reflect the average value of the taxpayer's property.

(d)(i) For purposes of this subsection (2), loans and credit card receivables are deemed owned and used in this state as follows:

(A) Loans secured by real property, personal property, or both real and personal property are deemed owned and used in the state if the real property or personal property securing the loan is located within this state. If the property securing the loan is located both within this state and one or more other states, the loan is deemed owned and used in this state if more than fifty percent of the fair market value of the real or personal property is located within this state. If more than fifty percent of the fair market value of the real or personal property is not located within any one state, then the loan is deemed owned and used in this state if the borrower is located in this state. The determination of whether the real or personal property securing a loan is located within this state must be made, as of the time the original agreement was made, and any and all subsequent substitutions of collateral must be disregarded.

(B) Loans not secured by real or personal property are deemed owned and used in this state if the borrower is located in this state.

(C) Credit card receivables are deemed owned and used in this state if the billing address of the cardholder is in this state.

(ii)(A) Except as otherwise provided in (d)(ii)(B) of this subsection (2), the definitions in the multistate tax commission's recommended formula for the apportionment and allocation of net income of financial institutions as existing on June 1, 2010, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, apply to this section.

(B) "Credit card" means a card or device existing for the purpose of obtaining money, property, labor, or services on credit.

(e) Notwithstanding anything else to the contrary in this subsection, property counting toward the thresholds in subsection (1)(c)(i) and (iv) of this section does not include a person's ownership of, or rights in, computer software as defined in RCW 82.04.215, including computer software used in providing a digital automated service; master copies of software; and digital goods and digital codes residing on servers located in this state.

(3)(a) Payroll counting toward the thresholds in subsection (1)(c)(ii) and (iv) of this section is the total amount paid by the taxpayer for compensation in this state during the <u>current or</u> immediately preceding ((tax)) <u>calendar</u> year plus nonemployee compensation paid to representative third parties in this state. Nonemployee compensation paid to representative third parties includes the gross amount paid to nonemployees who represent the taxpayer in interactions with the taxpayer's clients and includes sales commissions.

(b) Employee compensation is paid in this state if the compensation is properly reportable to this state for unemployment compensation tax purposes, regardless of whether the compensation was actually reported to this state.

(c) Nonemployee compensation is paid in this state if the service performed by the representative third party occurs entirely or primarily within this state.

(d) For purposes of this subsection, "compensation" means wages, salaries, commissions, and any other form of remuneration paid to employees or nonemployees and defined as gross income under 26 U.S.C. Sec. 61 of the federal internal revenue code of 1986, as existing on June 1, 2010.

(4) Receipts counting toward the thresholds in subsection (1)(c)(iii) and (iv) of this section are:

(a) Those amounts included in the numerator of the receipts factor under RCW 82.04.462;

(b) For financial institutions, those amounts included in the numerator of the receipts factor under the rule adopted by the department as authorized in RCW 82.04.460(2); and

(c) For persons taxable under RCW  $\underline{82.04.250(1)}$ ,  $\underline{82.04.257(1)}$ , or  $\underline{82.04.270}$  ((with respect to wholesale sales)), the gross proceeds of sales taxable under those statutory provisions and sourced to this state in accordance with RCW  $\underline{82.32.730}$ .

(5)(a) Each December, the department must review the cumulative percentage change in the consumer price index. The department must adjust the thresholds in subsection (1)(c)(i) through (iii) of this section if the consumer price index has changed by five percent or more since the later of June 1, 2010, or the date that the thresholds were last adjusted under this subsection. For purposes of determining the cumulative percentage change in the consumer price index, the department must compare the consumer price index available as of December 1st of the current year with the consumer price index as of the later of June 1, 2010, or the date that the thresholds were last adjusted under this subsection. The thresholds must be adjusted to reflect that cumulative percentage change in the consumer price index. The adjusted thresholds must be rounded to the nearest one thousand dollars. Any adjustment will apply to tax periods that begin after the adjustment is made.

(b) As used in this subsection, "consumer price index" means the consumer price index for all urban consumers (CPI-U) available from the bureau of labor statistics of the United States department of labor.

(6)(a)(i) Except as provided in (a)(iii) of this subsection (6). subsections (1) through (5) of this section only apply with respect to the taxes on persons engaged in apportionable activities as defined in RCW 82.04.460 or making wholesale sales taxable under RCW 82.04.257(1) or 82.04.270.

(ii) Subject to the limitation in RCW 82.32.531, for purposes of the taxes imposed under this chapter on ((any)) the business of making sales at retail or any other activity not included in the definition of apportionable activities in RCW 82.04.460, other than the business of making wholesale sales taxed under RCW 82.04.257(1) or 82.04.270, ((except as provided in RCW 82.32.531;)) a person is deemed to have a substantial nexus with this state if the person has a physical presence in this state during the ((tax)) current or immediately preceding calendar year, which need only be demonstrably more than a slightest presence.

(iii) For purposes of the taxes imposed under this chapter on the business of making sales at retail taxable under RCW 82.04.250(1) or 82.04.257(1), a person is also deemed to have a substantial nexus with this state if the person's receipts from this state, pursuant to subsection (4)(c) of this section, meet either criterion in subsection (1)(c)(iii) or (iv) of this section, as adjusted under subsection (5) of this section.

(b) For purposes of this subsection, a person is physically present in this state if the person has property or employees in this state.

(c)(i) A person is also physically present in this state for the purposes of this subsection if the person, either directly or through an agent or other representative, engages in activities in this state that are significantly associated with the person's ability to establish or maintain a market for its products in this state.

(ii) A remote seller as defined in RCW 82.08.052 is presumed to be engaged in activities in this state that are significantly associated with the remote seller's ability to establish or maintain a market for its products in this state if the remote seller is presumed to have a substantial nexus with this state under RCW 82.08.052. The presumption in this subsection (6)(c)(ii) may be rebutted as provided in RCW 82.08.052. To the extent that the presumption in RCW 82.08.052 is no longer operative pursuant to RCW 82.32.762, the presumption in this subsection (6)(c)(ii) is no longer operative. ((Nothing in this section may be construed to affect in any way RCW 82.04.424, 82.08.050(11), or 82.12.040(5) or to narrow the scope of the terms "agent" or "other representative" in this subsection (6)(c).))

Sec. 303. RCW 82.04.220 and 2011 1st sp.s. c 20 s 101 are each amended to read as follows:

(1) There is levied and collected from every person that has a substantial nexus with this state, as provided in RCW 82.04.067, a tax for the act or privilege of engaging in business activities. The tax is measured by the application of rates against value of products, gross proceeds of sales, or gross income of the business, as the case may be.

(2)(a) A person who has a substantial nexus with this state in ((any tax year under the provisions of RCW 82.04.067 will be deemed to have a substantial nexus with this state for the following tax year)) the current calendar year under the provisions of RCW 82.04.067, based solely on the person's property, payroll, or receipts in this state during the current calendar year, is subject to the tax imposed under this chapter for the current calendar year only on business activity occurring on and after the date that the person established a substantial nexus with this state in the current calendar year.

(b) This subsection (2) does not apply to any person who also had a substantial nexus with this state during:

(i) The immediately preceding calendar year under RCW 82.04.067; or

(ii) The current calendar year under RCW 82.04.067 (1)(a) or (b) or (6)(a)(ii) or (c).

<u>NEW SECTION.</u> Sec. 304. RCW 82.04.424 (Exemptions—Certain instate activities) and 2015 3rd sp.s. c 5 s 206 & 2003 c 76 s 2 are each repealed.

## Part IV

## **Eliminate Streamlined Sales Tax Mitigation to Local Governments**

Sec. 401. RCW 82.14.495 and 2010 1st sp.s. c 37 s 952 are each amended to read as follows:

(1) The streamlined sales and use tax mitigation account is created in the state treasury. <u>Through July 1, 2019, the state treasurer ((shall)) must</u> transfer into the account from the general fund amounts as directed in RCW 82.14.500. Expenditures from the account may be used only for the purpose of mitigating the negative fiscal impacts to local taxing jurisdictions as a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020. ((During the 2009-2011 fiscal biennium, the legislature may transfer from the streamlined sales and use tax mitigation account to the state general fund such amounts as reflect the excess fund balance of the account.))

(2) Beginning July 1, 2008, <u>through September 30, 2019</u>, the state treasurer, as directed by the department, ((<del>shall</del>)) <u>must</u> distribute the funds in the streamlined sales and use tax mitigation account to local taxing jurisdictions in accordance with RCW 82.14.500.

(3) The definitions in this subsection apply throughout this section and RCW 82.14.390 and 82.14.500 <u>unless the context clearly requires otherwise</u>.

(a) "Agreement" means the same as in RCW 82.32.020.

(b) "Local taxing jurisdiction" means <u>through June 30, 2017</u>, counties, cities, transportation authorities under RCW 82.14.045, public facilities districts under chapters 36.100 and 35.57 RCW, public transportation benefit areas under RCW 82.14.440, and regional transit authorities under chapter 81.112 RCW, that impose a sales and use tax. <u>Beginning July 1, 2017</u>, "local taxing jurisdiction" means cities, counties, and public facilities districts under chapters 36.100 and 35.57 RCW.

(c) "Loss" or "losses" means the local sales and use tax revenue reduction to a local taxing jurisdiction resulting from the sourcing provisions in RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020.

(d) <u>"Marketplace facilitator/remote seller revenue" means the local sales and</u> use tax revenue gain, including taxes voluntarily remitted and taxes collected from consumers, to each local taxing jurisdiction from part II of this act as estimated by the department in RCW 82.14.500(6).

(e) "Net loss" or "net losses" means a loss offset by any voluntary compliance revenue and marketplace facilitator/remote seller revenue.

(((e))) (f) "Voluntary compliance revenue" means the local sales tax revenue gain to each local taxing jurisdiction reported to the department from persons registering through the central registration system authorized under the agreement.

(((f))) (g) "Working day" has the same meaning as in RCW 82.45.180.

Sec. 402. RCW 82.14.500 and 2011 1st sp.s. c 50 s 974 are each amended to read as follows:

(1)(((a))) In order to mitigate local sales tax revenue net losses as a result of the sourcing provisions of the streamlined sales and use tax agreement under this title, the state treasurer, on July 1, 2011, and each July 1st thereafter <u>through July 1, 2019</u>, must transfer into the streamlined sales and use tax mitigation account

from the general fund the sum required to mitigate actual net losses as determined under this section.

(((b) During the 2011-2013 fiscal biennium, the amount that would otherwise be transferred under (a) of this subsection must be reduced by 3.4 percent.))

(2) Beginning July 1, 2008, and continuing until the department determines annual losses under subsection (3) of this section, the department must determine the amount of local sales tax net loss each local taxing jurisdiction experiences as a result of the sourcing provisions of the streamlined sales and use tax agreement under this title each calendar quarter. The department must determine losses by analyzing and comparing data from tax return information and tax collections for each local taxing jurisdiction before and after July 1, 2008, on a calendar quarter basis. The department's analysis may be revised and supplemented in consultation with the oversight committee as provided in subsection (4) of this section. To determine net losses, the department must reduce losses by the amount of voluntary compliance revenue for the calendar quarter analyzed. Beginning December 31, 2008, distributions must be made quarterly from the streamlined sales and use tax mitigation account by the state treasurer, as directed by the department, to each local taxing jurisdiction, other than public facilities districts for losses in respect to taxes imposed under the authority of RCW 82.14.390, in an amount representing its net losses for the previous calendar quarter. Distributions must be made on the last working day of each calendar quarter and must cease when distributions under subsection (3) of this section begin.

(3)(a) By December 31, 2009, or such later date the department in consultation with the oversight committee determines that sufficient data is available, the department must determine each local taxing jurisdiction's annual loss. The department must determine annual losses by comparing at least twelve months of data from tax return information and tax collections for each local taxing jurisdiction before and after July 1, 2008. The department is not required to determine annual losses on a recurring basis, but may make any adjustments to annual losses as it deems proper as a result of the annual reviews provided in (b) of this subsection. Beginning the calendar quarter in which the department determines annual losses, and each calendar quarter thereafter through September 30, 2019, distributions must be made from the streamlined sales and use tax mitigation account by the state treasurer on the last working day of the calendar quarter, as directed by the department, to each local taxing jurisdiction, other than public facilities districts for losses in respect to taxes imposed under the authority of RCW 82.14.390, in an amount representing one-fourth of the jurisdiction's annual loss reduced by voluntary compliance revenue reported during the previous calendar quarter and marketplace facilitator/remote seller revenue reported during the previous calendar quarter.

(b) The department's analysis of annual losses must be reviewed by December 1st of each year and may be revised and supplemented in consultation with the oversight committee as provided in subsection (4) of this section.

(4) The department must convene an oversight committee to assist in the determination of losses. The committee includes one representative of one city whose revenues are increased, one representative of one city whose revenues are reduced, one representative of one county whose revenues are increased, one

representative of one county whose revenues are decreased, one representative of one transportation authority under RCW 82.14.045 whose revenues are increased, and one representative of one transportation authority under RCW 82.14.045 whose revenues are reduced, as a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020. Beginning July 1, 2008, the oversight committee must meet quarterly with the department to review and provide additional input and direction on the department's analyses of losses. Local taxing jurisdictions may also present to the oversight committee additional information to improve the department's analyses of the jurisdiction's loss. Beginning January 1, 2010, the oversight committee must meet at least annually with the department by December 1st.

(5) The rule-making provisions of chapter 34.05 RCW do not apply to this section.

(6)(a) As a result of part II of this act, local sales and use tax revenue is anticipated to increase due to additional tax remittance by marketplace facilitators, remote sellers, and consumers. This additional revenue will further mitigate the losses that resulted from the sourcing provisions of the streamlined sales and use tax agreement under this title and should be reflected in mitigation payments to negatively impacted local jurisdictions.

(b) Beginning January 1, 2018, and continuing through September 30, 2019, the department must determine the increased sales and use tax revenue each local taxing jurisdiction experiences from marketplace facilitator/remote seller revenue as a result of sections 201 through 213 of this act each calendar quarter. The department must convene the mitigation advisory committee before January 1, 2018, to receive input on the determination of marketplace facilitator/remote seller revenue. Beginning with distributions made after March 31, 2018, distributions from the streamlined sales and use tax mitigation account by the state treasurer, as directed by the department, to each local taxing jurisdiction, must be reduced by the amount of its marketplace facilitator/remote seller revenue reported during the previous calendar quarter. No later than December 1, 2019, the department will determine the total marketplace facilitator/remote seller revenue for each local taxing jurisdiction for reporting periods beginning January 1, 2018, through reporting periods ending June 30, 2019. If the total distribution made from the streamlined sales and use tax mitigation account to a local taxing jurisdiction was not fully reduced by its total amount of marketplace facilitator/remote seller revenue for reporting periods beginning January 1, 2018, through reporting periods ending June 30, 2019, the department must reduce the local taxing jurisdiction's distribution of local sales and use tax under RCW 82.14.060 by the excess amount received.

<u>NEW SECTION.</u> Sec. 403. (1)(a) Monthly, the state treasurer must distribute from the local sales and use tax account to the counties, cities, transportation authorities, public facilities districts, and transportation benefit districts the amount of tax collected on behalf of each taxing authority, less:

(i) The deduction provided for in RCW 82.14.050; and

(ii) The amount of any refunds of local sales and use taxes exempted under RCW 82.08.962, 82.12.962, 82.08.02565, 82.12.02565, 82.08.025661, or 82.12.025661, which must be made without appropriation; and

(iii) The deduction required under RCW 82.14.500.

(b) The state treasurer must make the distribution under this section without appropriation.

(2) In the event that any ordinance or resolution imposes a sales and use tax at a rate in excess of the applicable limits contained herein, such ordinance or resolution may not be considered void in toto, but only with respect to that portion of the rate that is in excess of the applicable limits contained herein.

<u>NEW SECTION.</u> Sec. 404. The following acts or parts of acts, as now existing or hereafter amended, are each repealed, effective October 1, 2019:

(1) RCW 82.14.495 (Streamlined sales and use tax mitigation account— Creation) and 2017 3rd sp.s. c . . . s 401 (section 401 of this act), 2010 1st sp.s. c 37 s 952, 2009 c 4 s 907, & 2007 c 6 s 902;

(2) RCW 82.14.500 (Streamlined sales and use tax mitigation account— Funding—Determination of losses) and 2017 3rd sp.s. c . . . s 402 (section 402 of this act), 2011 1st sp.s. c 50 s 974, & 2007 c 6 s 903; and

(3) 2017 3rd sp.s. c . . . s 403 (uncodified) (section 403 of this act).

Part V

# **Public Utility Privilege Tax Distributions**

Sec. 501. RCW 54.28.055 and 1986 c 189 s 1 are each amended to read as follows:

(1) After computing the tax imposed by RCW 54.28.025(1), the department of revenue ((shall)) <u>must</u> instruct the state treasurer to distribute the amount collected <u>on the first business day of July</u> as follows:

(a) Fifty percent to the state general fund for the support of schools; and

(b) Twenty-two percent to the counties, twenty-three percent to the cities, three percent to the fire protection districts, and two percent to the library districts.

(2) Each county, city, fire protection district and library district ((shall)) <u>must</u> receive a percentage of the amount for distribution to counties, cities, fire protection districts and library districts, respectively, in the proportion that the population of such district residing within the impacted area bears to the total population of all such districts residing within the impacted area. For the purposes of this chapter, the term "library district" includes only regional libraries ((as defined in RCW 27.12.010(4))), rural county library districts ((as defined in RCW 27.12.010(5))), intercounty rural library districts ((as defined in RCW 27.12.010(5))). The population of a library district, for purposes of such a distribution, ((shall)) does not include any population within the library district and the impact area that also is located within a city or town.

(3) If any distribution pursuant to subsection (1)(b) of this section cannot be made, then that share ((shall)) <u>must</u> be prorated among the state and remaining local districts.

(4) All distributions directed by this section to be made on the basis of population ((shall)) must be calculated in accordance with data to be provided by the office of financial management.

Sec. 502. RCW 54.28.055 and 2017 c 323 s 105 are each amended to read as follows:

(1) Except as provided in subsection (3) of this section, the department of revenue must instruct the state treasurer to distribute the amount collected under RCW 54.28.025(1) <u>on the first business day of July</u> as follows:

(a) Fifty percent to the state general fund for the support of schools; and

(b) Twenty-two percent to the counties, twenty-three percent to the cities, three percent to the fire protection districts, and two percent to the library districts.

(2) Each county, city, fire protection district, and library district must receive a percentage of the amount for distribution to counties, cities, fire protection districts, and library districts, respectively, in the proportion that the population of such district residing within the impacted area bears to the total population of all such districts residing within the impacted area. For the purposes of this chapter, the term "library district" includes only regional libraries, rural county library districts, intercounty rural library districts, and island library districts as those terms are defined in RCW 27.12.010. The population of a library district, for purposes of such a distribution, does not include any population within the library district and the impact area that also is located within a city or town.

(3) Distributions under this section must be adjusted as follows:

(a) If any distribution pursuant to subsection (1)(b) of this section cannot be made, then that share must be prorated among the state and remaining local districts.

(b) The department of revenue must instruct the state treasurer to adjust distributions under this section, in whole or in part, to account for each county's, city's, fire protection district's, and library district's proportionate share of amounts previously distributed under this section and subsequently refunded to a public utility district under RCW 82.32.060.

(4) All distributions directed by this section to be made on the basis of population must be calculated in accordance with population data as last determined by the office of financial management.

### Part VI

#### **Miscellaneous Provisions**

<u>NEW SECTION.</u> Sec. 601. Sections 204 through 208 of this act constitute a new chapter in Title 82 RCW.

<u>NEW SECTION.</u> Sec. 602. This act does not affect any existing right acquired or liability or obligation incurred under the sections amended or repealed or under any rule or order adopted under those sections, nor does it affect any proceeding instituted under those sections.

<u>NEW SECTION.</u> Sec. 603. (1) 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.

(2) If the department of revenue is prevented from enforcing chapter 82.08 or 82.12 RCW against persons without a physical presence in this state because any provision of this act or its application to any person or circumstance is held invalid, the department of revenue must impose such provisions to the fullest extent allowed under the Constitution and laws of the United States.

<u>NEW SECTION.</u> Sec. 604. The tax collection, reporting, and payment obligations imposed by this act apply prospectively only.

<u>NEW SECTION.</u> Sec. 605. (1) Except as otherwise provided in this section, 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.

(2) Part I 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 August 1, 2017.

(3) Section 213 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 23, 2017.

(4) Part III of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2017.

(5) Section 502 of this act takes effect January 1, 2018.

NEW SECTION. Sec. 606. Section 212 of this act expires July 23, 2017.

<u>NEW SECTION.</u> Sec. 607. Section 501 of this act expires January 1, 2018.

Passed by the House June 30, 2017.

Passed by the Senate June 30, 2017.

Approved by the Governor July 7, 2017.

Filed in Office of Secretary of State July 7, 2017.

#### CHAPTER 29

[Engrossed House Bill 2190] BUDGET STABILIZATION ACCOUNT--TRANSFERS

AN ACT Relating to budget stabilization account transfers; amending RCW 43.79.496; creating new sections; making appropriations; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. FOR THE PENSION FUNDING STABILIZATION ACCOUNT. During the 2017-19 fiscal biennium, the treasurer shall transfer the sum of \$925,166,000 from the budget stabilization account into the pension funding stabilization account. For purposes of RCW 43.88.055(4), the transfer in this section does not alter the requirement to balance in ensuing biennia.

<u>NEW SECTION.</u> Sec. 2. FOR THE DISASTER RESPONSE ACCOUNT. During the 2017-19 fiscal biennium, the treasurer must transfer the sum of \$19,000,000 from the budget stabilization account to the disaster response account. This amount is provided solely for disaster response and recovery efforts. For purposes of RCW 43.88.055(4), the transfer in this section does not alter the requirement to balance in ensuing biennia.

<u>NEW SECTION.</u> Sec. 3. FOR THE WASHINGTON STATE PATROL— FIRES. The sum of \$14,500,000, or as much thereof as may be necessary, is appropriated from the budget stabilization account for the fiscal year ending June 30, 2017, and is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 through 43.43.964 for wildfires. For purposes of RCW 43.88.055(4), the appropriation in this section does not alter the requirement to balance in ensuing biennia.

<u>NEW SECTION.</u> Sec. 4. FOR THE DEPARTMENT OF NATURAL RESOURCES—FIRES. The sum of \$23,622,000 is appropriated from the budget stabilization account for the fiscal year ending June 30, 2017, and is provided solely for fire suppression costs incurred by the department of natural resources during the 2016 fire season. For purposes of RCW 43.88.055(4), the appropriation in this section does not alter the requirement to balance in ensuing biennia.

Sec. 5. RCW 43.79.496 and 2015 3rd sp.s. c 2 s 1 are each amended to read as follows:

(1) By June 30, 2015, the treasurer shall transfer into the state general fund the entire budget stabilization account deposit for the 2013-2015 fiscal biennium that is attributable to extraordinary revenue growth, not to exceed fifty million dollars.

(2) ((During the 2015-2017 fiscal biennium, the treasurer shall transfer into the state general fund the entire budget stabilization account deposit for the 2015-2017 fiscal biennium that is attributable to extraordinary revenue growth, not to exceed seventy-five million dollars.

(3))) During the 2017-2019 fiscal biennium, the treasurer shall transfer into the state general fund the entire budget stabilization account deposit for the 2017-2019 fiscal biennium that is attributable to extraordinary revenue growth, not to exceed ((five hundred fifty)) one billion seventy-eight million dollars.

(((4))) (3) For purposes of RCW 43.88.055(4), the transfers in this section do not alter the requirement to balance in ensuing biennia.

<u>NEW SECTION.</u> 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.

Passed by the House June 30, 2017.

Passed by the Senate June 30, 2017.

Approved by the Governor July 7, 2017.

Filed in Office of Secretary of State July 7, 2017.

## CHAPTER 30

[Engrossed Substitute House Bill 2222] HEALTH INSURANCE MARKET STABILITY PROGRAM INFORMATION--RECORDS EXEMPTION

AN ACT Relating to protection of information obtained to develop or implement an individual health insurance market stability program; reenacting and amending RCW 42.56.400; adding a new section to chapter 48.02 RCW; and declaring an emergency.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 48.02 RCW to read as follows:

(1) For the purposes of developing or implementing an individual health insurance market stability program, any reports, data, documents, or materials that health carriers submit to or receive from the United States department of health and human services as part of any health and human services operated risk adjustment or reinsurance program, or that the Washington state health insurance pool, established under chapter 48.41 RCW, prepares for purposes of this section that are obtained by, disclosed to, or in the custody of the commissioner, regardless of the form or medium, are confidential and are not subject to public disclosure under chapter 42.56 RCW. The commissioner shall not disclose these reports, data, documents, or materials except in the furtherance of developing and implementing an individual health insurance market stability program.

(2) For the purposes of this section:

(a) A health and human services operated risk adjustment or reinsurance program is any of the health insurance risk adjustment or reinsurance programs established under 42 U.S.C. Secs. 18061 and 18063. The reports, data, documents, and materials that are confidential under this section include all data and information carriers are required to provide to health and human services through the dedicated data environments required by 45 C.F.R. Sec. 153.700 et seq. for all health carriers participating in any health and human services health insurance risk adjustment or reinsurance program; and

(b) "Health carrier" has the same meaning as in RCW 48.43.005.

(3) The commissioner may:

(a) Share documents, materials, or other information, including the confidential documents, materials, or information subject to subsection (1) of this section, with contractors conducting actuarial, economic, or other analyses necessary to develop or implement an individual health insurance market stability program.

(b) Enter into agreements governing the sharing and use of information consistent with this subsection.

(4) No waiver of an existing claim of confidentiality or privilege in the documents, materials, or information may occur as a result of disclosure to the commissioner under this section or as a result of sharing as authorized in subsection (3) of this section.

(5) Nothing in this section may be construed to authorize the commissioner to submit a complete application to the federal government for a waiver of any provision of federal law, including the federal patient protection and affordable care act, P.L. 111-148, as amended by the federal health care and education reconciliation act, P.L. 111-152, or federal regulations or guidance issued under the affordable care act. The commissioner shall provide the joint select committee on health care oversight established by RCW 44.82.010 with a progress report prior to submitting a draft waiver application to the federal government.

(6) Reports, data, documents, and materials subject to this section are those obtained by the commissioner as of December 31, 2019.

(7) The study conducted under this section to examine individualmarket stability options must be conducted one time only, and the datarequested for purposes of the study must be mutually agreed on between the commissioner and the carriers.

Sec. 2. RCW 42.56.400 and 2016 c  $142 ext{ s } 20$ , 2016 c  $142 ext{ s } 19$ , and 2016 c  $122 ext{ s } 4$  are each reenacted and amended to read as follows:

The following information relating to insurance and financial institutions is exempt from disclosure under this chapter:

(1) Records maintained by the board of industrial insurance appeals that are related to appeals of crime victims' compensation claims filed with the board under RCW 7.68.110;

(2) Information obtained and exempted or withheld from public inspection by the health care authority under RCW 41.05.026, whether retained by the authority, transferred to another state purchased health care program by the authority, or transferred by the authority to a technical review committee created to facilitate the development, acquisition, or implementation of state purchased health care under chapter 41.05 RCW;

(3) The names and individual identification data of either all owners or all insureds, or both, received by the insurance commissioner under chapter 48.102 RCW;

(4) Information provided under RCW 48.30A.045 through 48.30A.060;

(5) Information provided under RCW 48.05.510 through 48.05.535, 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and 48.46.600 through 48.46.625;

(6) Examination reports and information obtained by the department of financial institutions from banks under RCW 30A.04.075, from savings banks under RCW 32.04.220, from savings and loan associations under RCW 33.04.110, from credit unions under RCW 31.12.565, from check cashers and sellers under RCW 31.45.030(3), and from securities brokers and investment advisers under RCW 21.20.100, all of which is confidential and privileged information;

(7) Information provided to the insurance commissioner under RCW 48.110.040(3);

(8) Documents, materials, or information obtained by the insurance commissioner under RCW 48.02.065, all of which are confidential and privileged;

(9) Documents, materials, or information obtained by the insurance commissioner under RCW 48.31B.015(2) (l) and (m), 48.31B.025, 48.31B.030, and 48.31B.035, all of which are confidential and privileged;

(10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and 7.70.140 that, alone or in combination with any other data, may reveal the identity of a claimant, health care provider, health care facility, insuring entity, or self-insurer involved in a particular claim or a collection of claims. For the purposes of this subsection:

(a) "Claimant" has the same meaning as in RCW 48.140.010(2).

(b) "Health care facility" has the same meaning as in RCW 48.140.010(6).

(c) "Health care provider" has the same meaning as in RCW 48.140.010(7).

(d) "Insuring entity" has the same meaning as in RCW 48.140.010(8).

(e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);

(11) Documents, materials, or information obtained by the insurance commissioner under RCW 48.135.060;

(12) Documents, materials, or information obtained by the insurance commissioner under RCW 48.37.060;

(13) Confidential and privileged documents obtained or produced by the insurance commissioner and identified in RCW 48.37.080;

(14) Documents, materials, or information obtained by the insurance commissioner under RCW 48.37.140;

(15) Documents, materials, or information obtained by the insurance commissioner under RCW 48.17.595;

(16) Documents, materials, or information obtained by the insurance commissioner under RCW 48.102.051(1) and 48.102.140(3) and (7)(a)(ii);

(17) Documents, materials, or information obtained by the insurance commissioner in the commissioner's capacity as receiver under RCW 48.31.025 and 48.99.017, which are records under the jurisdiction and control of the receivership court. The commissioner is not required to search for, log, produce, or otherwise comply with the public records act for any records that the commissioner obtains under chapters 48.31 and 48.99 RCW in the commissioner's capacity as a receiver, except as directed by the receivership court;

(18) Documents, materials, or information obtained by the insurance commissioner under RCW 48.13.151;

(19) Data, information, and documents provided by a carrier pursuant to section 1, chapter 172, Laws of 2010;

(20) Information in a filing of usage-based insurance about the usage-based component of the rate pursuant to RCW 48.19.040(5)(b);

(21) Data, information, and documents, other than those described in RCW 48.02.210(2), that are submitted to the office of the insurance commissioner by an entity providing health care coverage pursuant to RCW 28A.400.275 and 48.02.210;

(22) Data, information, and documents obtained by the insurance commissioner under RCW 48.29.017;

(23) Information not subject to public inspection or public disclosure under RCW 48.43.730(5);

(24) Documents, materials, or information obtained by the insurance commissioner under chapter 48.05A RCW; ((and))

(25) Documents, materials, or information obtained by the insurance commissioner under RCW 48.74.025, 48.74.028, 48.74.100(6), 48.74.110(2) (b) and (c), and 48.74.120 to the extent such documents, materials, or information independently qualify for exemption from disclosure as documents, materials, or information in possession of the commissioner pursuant to a financial conduct examination and exempt from disclosure under RCW 48.02.065; and

(26) Data, information, and documents obtained by the insurance commissioner under section 1 of this act.

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

Passed by the House June 30, 2017.

Passed by the Senate June 30, 2017.

Approved by the Governor July 7, 2017.

Filed in Office of Secretary of State July 7, 2017.

## CHAPTER 31

[Engrossed Substitute House Bill 2224]

#### HIGH SCHOOL GRADUATION REQUIREMENTS -- ASSESSMENTS -- VARIOUS CHANGES

AN ACT Relating to providing flexibility in high school graduation requirements and supporting student success during the transition to a federal every student succeeds act-compliant accountability system; amending RCW 28A.655.061, 28A.655.065, 28A.305.130, 28A.230.090, 28A.655.061, and 28A.655.068; creating a new section; and declaring an emergency.

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

**Sec. 1.** RCW 28A.655.061 and 2017 3rd sp.s. c ... s 5 (section 5 of this act) are each amended to read as follows:

(1) The high school assessment system shall include but need not be limited to the statewide student assessment, opportunities for a student to retake the content areas of the assessment in which the student was not successful, and, if approved by the legislature pursuant to subsection (10) of this section, one or more objective alternative assessments for a student to demonstrate achievement of state academic standards. The objective alternative assessments for each content area shall be comparable in rigor to the skills and knowledge that the student must demonstrate on the statewide student assessment for each content area.

(2) Subject to the conditions in this section, a certificate of academic achievement shall be obtained and is evidence that the students have successfully met the state standard in the content areas included in the certificate. With the exception of students satisfying the provisions of RCW 28A.155.045 or 28A.655.0611, acquisition of the certificate is required for graduation from a public high school but is not the only requirement for graduation.

(3)(a) Beginning with the graduating class of 2008 through the graduating class of 2015, with the exception of students satisfying the provisions of RCW 28A.155.045, a student who meets the state standards on the ((reading, writing,)) English language arts and mathematics high school statewide student assessment shall earn a certificate of academic achievement. The mathematics assessment shall be the end-of-course assessment for the first year of high school mathematics that assesses the standards common to algebra I and integrated mathematics that assesses standards common to geometry and integrated mathematics II.

(b) As the state transitions from reading and writing assessments to an English language arts assessment and from end-of-course assessments to a comprehensive assessment for high school mathematics, a student in a graduating class of 2016 through 2018 shall earn a certificate of academic achievement if the student meets the ((state)) high school graduation standard as follows:

(i) Students in the graduating class of 2016 may use the results from:

(A) The reading and writing assessment or the English language arts assessment developed with the multistate consortium; and

(B) The end-of-course assessment for the first year of high school mathematics, the end-of-course assessment for the second year of high school mathematics, or the comprehensive mathematics assessment developed with the multistate consortium.

(ii) Students in the graduating classes of 2017 and 2018 may use the results from:

(A) The tenth grade English language arts assessment developed by the superintendent of public instruction using resources from the multistate consortium or the English language arts assessment developed with the multistate consortium; and

(B) The end-of-course assessment for the first year of high school mathematics, the end-of-course assessment for the second year of high school mathematics, or the comprehensive mathematics assessment developed with the multistate consortium.

(c) Beginning with the graduating class of 2019, a student who meets the ((state)) <u>high school graduation</u> standard((s)) on the high school English language arts assessment developed with the multistate consortium and the comprehensive mathematics assessment developed with the multistate consortium shall earn a certificate of academic achievement.

(d) Beginning with the graduating class of 2020, a student who meets the high school graduation standard on the high school English language arts assessment developed with the multistate consortium and the comprehensive mathematics assessment developed with the multistate consortium to be administered in tenth grade shall earn a certificate of academic achievement.

(e) If a student does not successfully meet the state standards in one or more content areas required for the certificate of academic achievement, then the student may retake the assessment in the content area at least twice a year at no cost to the student. If the student successfully meets the state standards on a retake of the assessment then the student shall earn a certificate of academic achievement. Once objective alternative assessments are authorized pursuant to subsection (10) of this section, a student may use the objective alternative assessments to demonstrate that the student successfully meets the state standards on the objective alternative assessment at least once. If the student successfully meets the state standards on the objective alternative assessments then the student successfully meets the state of the student academic achievement.

(4) Beginning with the graduating class of 2021, a student must meet the state standards in science in addition to the other content areas required under subsection (3) of this section on the statewide student assessment, a retake, or the objective alternative assessments in order to earn a certificate of academic achievement. The assessment under this subsection must be a comprehensive assessment of the science essential academic learning requirements adopted by the superintendent of public instruction in 2013.

(5) The state board of education may not require the acquisition of the certificate of academic achievement for students in home-based instruction under chapter 28A.200 RCW, for students enrolled in private schools under chapter 28A.195 RCW, or for students satisfying the provisions of RCW 28A.155.045.

(6) A student may retain and use the highest result from each successfully completed content area of the high school assessment.

(7) School districts must make available to students the following options:

(a) To retake the statewide student assessment at least twice a year in the content areas in which the student did not meet the state standards if the student is enrolled in a public school; or

(b) To retake the statewide student assessment at least twice a year in the content areas in which the student did not meet the state standards if the student is enrolled in a high school completion program at a community or technical college. The superintendent of public instruction and the state board for community and technical colleges shall jointly identify means by which students in these programs can be assessed.

(8) Students who achieve the standard in a content area of the high school assessment but who wish to improve their results shall pay for retaking the assessment, using a uniform cost determined by the superintendent of public instruction.

(9) Opportunities to retake the assessment at least twice a year shall be available to each school district.

(10)(a) The office of the superintendent of public instruction shall develop options for implementing objective alternative assessments, which may include an appeals process for students' scores, for students to demonstrate achievement of the state academic standards. The objective alternative assessments shall be comparable in rigor to the skills and knowledge that the student must demonstrate on the statewide student assessment and be objective in its determination of student achievement of the state standards. Before any objective alternative assessments in addition to those authorized in RCW 28A.655.065 or (b) of this subsection are used by a student to demonstrate that the student has met the state standards in a content area required to obtain a certificate, the legislature shall formally approve the use of any objective alternative assessments through the omnibus appropriations act or by statute or concurrent resolution.

(b)(i) A student's score on the mathematics, reading or English, or writing portion of the SAT or the ACT may be used as an objective alternative assessment under this section for demonstrating that a student has met or exceeded the state standards for the certificate of academic achievement. The state board of education shall identify the scores students must achieve on the relevant portion of the SAT or ACT to meet or exceed the state standard in the relevant content area on the statewide student assessment. A student's score on the science portion of the ACT or the science subject area tests of the SAT may be used as an objective alternative assessment under this section as soon as the state board of education determines that sufficient data is available to identify reliable equivalent scores for the science content area of the statewide student assessment. After the first scores are established, the state board may increase but not decrease the scores required for students to meet or exceed the state standards.

(ii) A student who scores at least a three on the grading scale of one to five for selected AP examinations may use the score as an objective alternative assessment under this section for demonstrating that a student has met or exceeded state standards for the certificate of academic achievement. A score of three on the AP examinations in calculus or statistics may be used as an alternative assessment for the mathematics portion of the statewide student assessment. A score of three on the AP examinations in English language and composition may be used as an alternative assessment for the writing portion of the statewide student assessment; and for the English language arts portion of the assessment developed with the multistate consortium, once established in the 2014-15 school year. A score of three on the AP examinations in English literature and composition, macroeconomics, microeconomics, psychology, United States history, world history, United States government and politics, or comparative government and politics may be used as an alternative assessment for the reading portion of the statewide student assessment; and for the English language arts portion of the assessment developed with the multistate consortium, once established in the 2014-15 school year. A score of three on the AP examination in biology, physics, chemistry, or environmental science may be used as an alternative assessment for the science portion of the statewide student assessment.

(iii) A student who scores at least a four on selected externally administered international baccalaureate (IB) examinations may use the score as an objective alternative assessment under this section for demonstrating that the student has met or exceeded state standards for the certificate of academic achievement. A score of four on the higher level IB examinations for any of the IB English language and literature courses or for any of the IB individuals and societies courses may be used as an alternative assessment for the reading, writing, or English language arts portions of the statewide student assessment. A score of four on the higher level IB examinations for any of the IB mathematics courses may be used as an alternative assessment for the mathematics portion of the statewide student assessment. A score of four on the higher level IB examinations for any of the IB mathematics portion of the statewide student assessment. A score of four on the higher level IB examinations for the mathematics portion of the statewide student assessment. A score of four on the higher level IB examinations for the mathematics portion of the statewide student assessment. A score of four on the higher level IB examinations for IB biology, chemistry, or physics may be used as an alternative assessment for the science portion of the statewide student assessment.

(iv)(A) Beginning in the 2018-19 school year, high school students who have not earned a certificate of academic achievement due to not meeting the high school graduation standard on the mathematics or English language arts assessment may take and pass a locally determined course in the content area in which the student was not successful, and may use the passing score on a locally administered assessment tied to that course and approved under the provisions of this subsection (10)(b)(iv), as an objective alternative assessment for demonstrating that the student has met or exceeded the high school graduation standard. High school transition courses and the assessments offered in association with high school transition courses shall be considered an approved locally determined course and assessment for demonstrating that the student met or exceeded the high school graduation standard. The course must be rigorous and consistent with the student's educational and career goals identified in his or her high school and beyond plan, and may include career and technical education equivalencies in English language arts or mathematics adopted pursuant to RCW 28A.230.097. School districts shall record students' participation in locally determined courses under this section in the statewide individual data system.

(B) The office of the superintendent of public instruction shall develop a process by which local school districts can submit assessments for review and approval for use as objective alternative assessments for graduation as allowed by (b)(iv) of this subsection. This process shall establish means to determine whether a local school district-administered assessment is comparable in rigor to

the skills and knowledge that the student must demonstrate on the statewide student assessment and is objective in its determination of student achievement of the state standards. The office of the superintendent of public instruction shall post on its agency web site a compiled list of local school district-administered assessments approved as objective alternative assessments, including the comparable scores on these assessments necessary to meet the standard.

(C) For the purpose of this section, "high school transition course" means an English language arts or mathematics course offered in high school where successful completion by a high school student ensures the student college-level placement at participating institutions of higher education as defined in RCW 28B.10.016. High school transition courses must, in accordance with this section, satisfy core or elective credit graduation requirements established by the state board of education. A student's successful completion of a high school transition course does not entitle the student to be admitted to any institution of higher education as defined in RCW 28B.10.016.

(v) A student who completes a dual credit course in English language arts or mathematics in which the student earns college credit may use passage of the course as an objective alternative assessment under this section for demonstrating that the student has met or exceeded the high school graduation standard for the certificate of academic achievement.

(11) To help assure continued progress in academic achievement as a foundation for high school graduation and to assure that students are on track for high school graduation, each school district shall:

(a) Provide students who have not earned a certificate of academic achievement before the beginning of grade eleven with the opportunity to access interventions and academic supports, courses, or both, designed to enable students to meet the high school graduation standard. These interventions, supports, or courses must be rigorous and consistent with the student's educational and career goals identified in his or her high school and beyond plan, and may include career and technical education equivalencies in English language arts or mathematics adopted pursuant to RCW 28A.230.097; and

(b) Prepare student learning plans ((for)) and notify students and their parents or legal guardians as provided in this subsection. Student learning plans are required for eighth grade students who were not successful on any or all of the content areas of the state assessment during the previous school year or who may not be on track to graduate due to credit deficiencies or absences. The parent or legal guardian shall be notified about the information in the student learning plan, preferably through a parent conference and at least annually. To the extent feasible, schools serving English language learner students and their parents shall translate the plan into the primary language of the family. The plan shall include the following information as applicable:

(((<del>(a)</del>))) (<u>i)</u> The student's results on the state assessment;

(((b))) (ii) If the student is in the transitional bilingual program, the score on his or her Washington language proficiency test II;

(((<del>(c)</del>)) (<u>iii)</u> Any credit deficiencies;

(((d))) (iv) The student's attendance rates over the previous two years;

(((e))) (v) The student's progress toward meeting state and local graduation requirements;

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(((f))) (vi) The courses, competencies, and other steps needed to be taken by the student to meet state academic standards and stay on track for graduation;

(((g))) (vii) Remediation strategies and alternative education options available to students, including informing students of the option to continue to receive instructional services after grade twelve or until the age of twenty-one;

(((h))) (viii) The alternative assessment options available to students under this section and RCW 28A.655.065;

(((i))) (ix) School district programs, high school courses, and career and technical education options available for students to meet graduation requirements; and

 $(((\frac{1}{2})))$  (x) Available programs offered through skill centers or community and technical colleges, including the college high school diploma options under RCW 28B.50.535.

Sec. 2. RCW 28A.655.065 and 2009 c 556 s 19 are each amended to read as follows:

(1) The legislature has made a commitment to rigorous academic standards for receipt of a high school diploma. The primary way that students will demonstrate that they meet the standards in reading, writing, mathematics, and science is through the ((Washington)) statewide student assessment ((of student learning)). Only objective assessments that are comparable in rigor to the state assessment are authorized as an alternative assessment. Before seeking an alternative assessment, the legislature expects students to make a genuine effort to meet state standards, through regular and consistent attendance at school and participation in extended learning and other assistance programs.

(2) Under RCW 28A.655.061, beginning in the 2006-07 school year, the superintendent of public instruction shall implement objective alternative assessment methods as provided in this section for students to demonstrate achievement of the state standards in content areas in which the student has not yet met the standard on the high school ((Washington)) statewide student assessment ((of student learning)). A student may access an alternative if the student meets applicable eligibility criteria in RCW 28A.655.061 and this section and other eligibility criteria established by the superintendent of public instruction, including but not limited to attendance criteria and participation in the remediation or supplemental instruction contained in the student learning plan developed under RCW 28A.655.061. A school district may waive attendance and/or remediation criteria for special, unavoidable circumstances.

(3) For the purposes of this section, "applicant" means a student seeking to use one of the alternative assessment methods in this section.

(4) One alternative assessment method shall be a combination of the applicant's grades in applicable courses and the applicant's highest score on the high school ((Washington)) statewide student assessment ((of student learning)), as provided in this subsection. A student is eligible to apply for the alternative assessment method under this subsection (4) if the student has a cumulative grade point average of at least 3.2 on a four point grading scale. The superintendent of public instruction shall determine which high school courses are applicable to the alternative assessment method and shall issue guidelines to school districts.

(a) Using guidelines prepared by the superintendent of public instruction, a school district shall identify the group of students in the same school as the

applicant who took the same high school courses as the applicant in the applicable content area. From the group of students identified in this manner, the district shall select the comparison cohort that shall be those students who met or slightly exceeded the state standard on the ((Washington)) statewide student assessment ((of student learning)).

(b) The district shall compare the applicant's grades in high school courses in the applicable content area to the grades of students in the comparison cohort for the same high school courses. If the applicant's grades are equal to or above the mean grades of the comparison cohort, the applicant shall be deemed to have met the state standard on the alternative assessment.

(c) An applicant may not use the alternative assessment under this subsection (4) if there are fewer than six students in the comparison cohort.

(5) ((The superintendent of public instruction shall develop an alternative assessment method that shall be an evaluation of a collection of work samples prepared and submitted by the applicant. Effective September 1, 2009, collection of work samples may be submitted only in content areas where meeting the state standard on the high school assessment is required for purposes of graduation.

(a) The superintendent of public instruction shall develop guidelines for the types and number of work samples in each content area that may be submitted as a collection of evidence that the applicant has met the state standard in that content area. Work samples may be collected from academic, career and technical, or remedial courses and may include performance tasks as well as written products. The superintendent shall submit the guidelines for approval by the state board of education.

(b) The superintendent shall develop protocols for submission of the collection of work samples that include affidavits from the applicant's teachers and school district that the samples are the work of the applicant and a requirement that a portion of the samples be prepared under the direct supervision of a classroom teacher. The superintendent shall submit the protocols for approval by the state board of education.

(c) The superintendent shall develop uniform scoring criteria for evaluating the collection of work samples and submit the scoring criteria for approval by the state board of education. Collections shall be scored at the state level or regionally by a panel of educators selected and trained by the superintendent to ensure objectivity, reliability, and rigor in the evaluation. An educator may not score work samples submitted by applicants from the educator's school district. If the panel awards an applicant's collection of work samples the minimum required score, the applicant shall be deemed to have met the state standard on the alternative assessment.

(d) Using an open and public process that includes consultation with district superintendents, school principals, and other educators, the state board of education shall consider the guidelines, protocols, scoring criteria, and other information regarding the collection of work samples submitted by the superintendent of public instruction. The collection of work samples may be implemented as an alternative assessment after the state board of education has approved the guidelines, protocols, and scoring criteria and determined that the collection of work samples: (i) Will meet professionally accepted standards for a valid and reliable measure of the grade level expectations and the essential academic learning requirements; and (ii) is comparable to or exceeds the rigor of the skills and knowledge that a student must demonstrate on the Washington assessment of student learning in the applicable content area. The state board shall make an approval decision and determination no later than December 1, 2006, and thereafter may increase the required rigor of the collection of work samples.

(e) By September of 2006, the superintendent of public instruction shall develop informational materials for parents, teachers, and students regarding the collection of work samples and the status of its development as an alternative assessment method. The materials shall provide specific guidance regarding the type and number of work samples likely to be required, include examples of work that meets the state learning standards, and describe the scoring criteria and process for the collection. The materials shall also encourage students in the graduating class of 2008 to begin creating a collection if they believe they may seek to use the collection once it is implemented as an alternative assessment.

(6)(a) For students enrolled in a career and technical education program approved under RCW 28A.700.030, the superintendent of public instruction shall develop additional guidelines for collections of work samples that are tailored to different career and technical programs. The additional guidelines shall:

(i) Provide multiple examples of work samples that are related to the particular career and technical program;

(ii) Permit work samples based on completed activities or projects where demonstration of academic knowledge is inferred; and

(iii) Provide multiple examples of work samples drawn from career and technical courses.

(b) The purpose of the additional guidelines is to provide a clear pathway toward a certificate of academic achievement for career and technical students by showing them applied and relevant opportunities to demonstrate their knowledge and skills, and to provide guidance to teachers in integrating academic and career and technical instruction and assessment and assisting career and technical students in compiling a collection. The superintendent of public instruction shall develop and disseminate additional guidelines for no fewer than ten career and technical education programs representing a variety of program offerings by no later than September 1, 2008. Guidelines for ten additional programs shall be developed and disseminated no later than June 1, 2009.

(c) The superintendent shall consult with community and technical colleges, employers, the workforce training and education coordinating board, apprenticeship programs, and other regional and national experts in career and technical education to create appropriate guidelines and examples of work samples and other evidence of a career and technical student's knowledge and skills on the state academic standards.

(7) The superintendent of public instruction shall study the feasibility of using existing mathematics assessments in languages other than English as an additional alternative assessment option. The study shall include an estimation of the cost of translating the tenth grade mathematics assessment into other languages and scoring the assessments should they be implemented.

(8))) The superintendent of public instruction shall implement:

(a) By June 1, 2006, a process for students to appeal the score they received on the high school assessments; ((and))

(b) By January 1, 2007, guidelines and appeal processes for waiving specific requirements in RCW 28A.655.061 pertaining to the certificate of academic achievement and to the certificate of individual achievement for students who: (i) Transfer to a Washington public school in their junior or senior year with the intent of obtaining a public high school diploma, or (ii) have special, unavoidable circumstances:

(c)(i) For the graduating classes of 2014, 2015, 2016, 2017, and 2018, an expedited appeal process for waiving specific requirements in RCW 28A.655.061 pertaining to the certificate of academic achievement and the certificate of individual achievement for eligible students who have not met the state standard on the English language arts statewide student assessment, the mathematics high school statewide student assessment, or both. The student or the student's parent, guardian, or principal may initiate an appeal with the district and the district has the authority to determine which appeals are submitted to the superintendent of public instruction for review and approval. The superintendent of public instruction for review and approval. The superintendent that the student has the necessary skills and knowledge to meet the high school graduation standard and that the student has the skills necessary to successfully achieve the college or career goals established in his or her high school and beyond plan. Pathways for demonstrating the necessary skills and knowledge may include, but are not limited to:

(A) Successful completion of a college level class in the relevant subject area;

(B) Admission to a higher education institution or career preparation program;

(C) Award of a scholarship for higher education; or

(D) Enlistment in a branch of the military.

(ii) A student in the class of 2014, 2015, 2016, or 2017 is eligible for the expedited appeal process in (c)(i) of this subsection if he or she has met all other graduation requirements established by the state and district.

(iii) A student in the class of 2018 is eligible for the expedited appeal process in (c)(i) of this subsection if he or she has met all other graduation requirements established by the state and district and has attempted at least one alternative assessment option as established in RCW 28A.655.065.

(((9))) (6) The state board of education shall examine opportunities for additional alternative assessments, including the possible use of one or more standardized norm-referenced student achievement tests and the possible use of the reading, writing, or mathematics portions of the ACT ASSET and ACT COMPASS test instruments as objective alternative assessments for demonstrating that a student has met the state standards for the certificate of academic achievement. The state board shall submit its findings and recommendations to the education committees of the legislature by January 10, 2008.

(((10))) (7) The superintendent of public instruction shall adopt rules to implement this section.

**Sec. 3.** RCW 28A.305.130 and 2013 2nd sp.s. c 22 s 7 are each amended to read as follows:

The purpose of the state board of education is to provide advocacy and strategic oversight of public education; implement a standards-based accountability framework that creates a unified system of increasing levels of support for schools in order to improve student academic achievement; provide leadership in the creation of a system that personalizes education for each student and respects diverse cultures, abilities, and learning styles; and promote achievement of the goals of RCW 28A.150.210. In addition to any other powers and duties as provided by law, the state board of education shall:

(1) Hold regularly scheduled meetings at such time and place within the state as the board shall determine and may hold such special meetings as may be deemed necessary for the transaction of public business;

(2) Form committees as necessary to effectively and efficiently conduct the work of the board;

(3) Seek advice from the public and interested parties regarding the work of the board;

(4) For purposes of statewide accountability:

(a) Adopt and revise performance improvement goals in reading, writing, science, and mathematics, by subject and grade level, once assessments in these subjects are required statewide; academic and technical skills, as appropriate, in secondary career and technical education programs; and student attendance, as the board deems appropriate to improve student learning. The goals shall be consistent with student privacy protection provisions of RCW 28A.655.090(7) and shall not conflict with requirements contained in Title I of the federal elementary and secondary education act of 1965, or the requirements of the Carl D. Perkins vocational education act of 1998, each as amended. The goals may be established for all students, economically disadvantaged students, limited English proficient students, students with disabilities, and students from disproportionately academically underachieving racial and ethnic backgrounds. The board may establish school and school district goals addressing high school graduation rates and dropout reduction goals for students in grades seven through twelve. The board shall adopt the goals by rule. However, before each goal is implemented, the board shall present the goal to the education committees of the house of representatives and the senate for the committees' review and comment in a time frame that will permit the legislature to take statutory action on the goal if such action is deemed warranted by the legislature;

(b)(i) Identify the scores students must achieve in order to meet the standard on the statewide student assessment ((and, for high school students, to obtain a certificate of academic achievement)). The board shall also determine student scores that identify levels of student performance below and beyond the standard. ((The board shall consider the incorporation of the standard error of measurement into the decision regarding the award of the certificates.)) The board shall set such performance standards and levels in consultation with the superintendent of public instruction and after consideration of any recommendations that may be developed by any advisory committees that may be established for this purpose((-)):

(ii) ((By the end of the 2014-15 school year, establish the scores students must achieve to meet the standard and earn a certificate of academic achievement on the tenth grade English language arts assessment and the end-of-course mathematics assessments developed in accordance with RCW

28A.655.070 to be used as the state transitions to high school assessments developed with a multistate consortium.

(iii) By the end of the 2014-15 school year, establish the scores students must achieve to meet the standard and earn a certificate of academic achievement on the high school English language arts assessment and the comprehensive mathematics assessment developed with a multistate consortium in accordance with RCW 28A.655.070. To determine the appropriate score, the state board shall review the transition experience of Washington students to the consortium developed assessments, examine the student scores used in other states that are administering the consortium developed assessments, and review the scores in other states that require passage of an eleventh grade assessment as a high school graduation requirement. The scores established by the state board of education for the purposes of earning a certificate of academic achievement and graduation from high school may be different from the scores used for the purpose of determining a student's career and college readiness.

(iv) The legislature shall be advised of the initial performance standards for the high school statewide student assessment. Any changes recommended by the board in the performance standards for the high school assessment shall be presented to the education committees of the house of representatives and the senate by November 30th of the school year in which the changes will take place to permit the legislature to take statutory action before the changes are implemented if such action is deemed warranted by the legislature.)) (A) The legislature intends to continue the implementation of chapter 22, Laws of 2013, 2nd sp. sess. when the legislature expressed the intent for the state board of education to identify the student performance standard that demonstrates a student's career and college readiness for the eleventh grade consortiumdeveloped assessments. Therefore, by December 1, 2018, the state board of education, in consultation with the superintendent of public instruction, must identify and report to the governor and the education policy and fiscal committees of the legislature on the equivalent student performance standard that a tenth grade student would need to achieve on the state assessments to be on track to be career and college ready at the end of the student's high school experience;

(B) Nothing in this section prohibits the state board of education from identifying a college and career readiness score that is different from the score required for high school graduation purposes;

(iii) The legislature shall be advised of the initial performance standards and any changes made to the elementary ((level performance standards and the)), middle, and high school level performance standards. The board must provide an explanation of and rationale for all initial performance standards and any changes, for all grade levels of the statewide student assessment. If the board changes the performance standards for any grade level or subject, the superintendent of public instruction must recalculate the results from the previous ten years of administering that assessment regarding students below, meeting, and beyond the state standard, to the extent that this data is available, and post a comparison of the original and recalculated results on the superintendent's web site;

(c) Annually review the assessment reporting system to ensure fairness, accuracy, timeliness, and equity of opportunity, especially with regard to schools

with special circumstances and unique populations of students, and a recommendation to the superintendent of public instruction of any improvements needed to the system; and

(d) Include in the biennial report required under RCW 28A.305.035, information on the progress that has been made in achieving goals adopted by the board;

(5) Accredit, subject to such accreditation standards and procedures as may be established by the state board of education, all private schools that apply for accreditation, and approve, subject to the provisions of RCW 28A.195.010, private schools carrying out a program for any or all of the grades kindergarten through twelve. However, no private school may be approved that operates a kindergarten program only and no private school shall be placed upon the list of accredited schools so long as secret societies are knowingly allowed to exist among its students by school officials;

(6) Articulate with the institutions of higher education, workforce representatives, and early learning policymakers and providers to coordinate and unify the work of the public school system;

(7) Hire an executive director and an administrative assistant to reside in the office of the superintendent of public instruction for administrative purposes. Any other personnel of the board shall be appointed as provided by RCW 28A.300.020. The board may delegate to the executive director by resolution such duties as deemed necessary to efficiently carry on the business of the board including, but not limited to, the authority to employ necessary personnel and the authority to enter into, amend, and terminate contracts on behalf of the board. The executive director, administrative assistant, and all but one of the other personnel of the board are exempt from civil service, together with other staff as now or hereafter designated as exempt in accordance with chapter 41.06 RCW; and

(8) Adopt a seal that shall be kept in the office of the superintendent of public instruction.

**Sec. 4.** RCW 28A.230.090 and 2016 c 162 s 2 are each amended to read as follows:

(1) The state board of education shall establish high school graduation requirements or equivalencies for students, except as provided in RCW 28A.230.122 and except those equivalencies established by local high schools or school districts under RCW 28A.230.097. The purpose of a high school diploma is to declare that a student is ready for success in postsecondary education, gainful employment, and citizenship, and is equipped with the skills to be a lifelong learner.

(a) Any course in Washington state history and government used to fulfill high school graduation requirements shall consider including information on the culture, history, and government of the American Indian peoples who were the first inhabitants of the state.

(b) The certificate of academic achievement requirements under RCW 28A.655.061 or the certificate of individual achievement requirements under RCW 28A.155.045 are required for graduation from a public high school but are not the only requirements for graduation.

(c)(i) Each student must have a high school and beyond plan to guide the student's high school experience and prepare the student for postsecondary education or training and career.

(ii) A high school and beyond plan must be initiated for each student during the seventh or eighth grade. In preparation for initiating that plan, each student must first be administered a career interest and skills inventory.

(iii) The high school and beyond plan must be updated to reflect high school assessment results in RCW 28A.655.070(3)(b) and to review transcripts, assess progress toward identified goals, and revised as necessary for changing interests, goals, and needs. The plan must identify available interventions and academic support, courses, or both, that are designed for students who have not met the high school graduation standard, to enable them to meet the standard. School districts are encouraged to involve parents and guardians in the process of developing and updating the high school and beyond plan.

(iv) All high school and beyond plans must, at a minimum, include the following elements:

(A) Identification of career goals, aided by a skills and interest assessment;

(B) Identification of educational goals;

(C) A four-year plan for course taking that fulfills state and local graduation requirements and aligns with the student's career and educational goals; and

(D) By the end of the twelfth grade, a current resume or activity log that provides a written compilation of the student's education, any work experience, and any community service and how the school district has recognized the community service pursuant to RCW 28A.320.193.

(d) Any decision on whether a student has met the state board's high school graduation requirements for a high school and beyond plan shall remain at the local level. Effective with the graduating class of 2015, the state board of education may not establish a requirement for students to complete a culminating project for graduation. A district may establish additional, local requirements for a high school and beyond plan to serve the needs and interests of its students and the purposes of this section.

(((d))) (e)(i) The state board of education shall adopt rules to implement the career and college ready graduation requirement proposal adopted under board resolution on November 10, 2010, and revised on January 9, 2014, to take effect beginning with the graduating class of 2019 or as otherwise provided in this subsection (1)(((d))) (e). The rules must include authorization for a school district to waive up to two credits for individual students based on unusual circumstances and in accordance with written policies that must be adopted by each board of directors of a school district that grants diplomas. The rules must also provide that the content of the third credit of mathematics and the content of the third credit of science may be chosen by the student based on the student's parent or guardian or agreement of the school counselor or principal.

(ii) School districts may apply to the state board of education for a waiver to implement the career and college ready graduation requirement proposal beginning with the graduating class of 2020 or 2021 instead of the graduating class of 2019. In the application, a school district must describe why the waiver is being requested, the specific impediments preventing timely implementation, and efforts that will be taken to achieve implementation with the graduating

class proposed under the waiver. The state board of education shall grant a waiver under this subsection (1)(((d))) (e) to an applying school district at the next subsequent meeting of the board after receiving an application.

(iii) A school district must update the high school and beyond plans for each student who has not earned a score of level 3 or level 4 on the middle school mathematics assessment identified in RCW 28A.655.070 by ninth grade, to ensure that the student takes a mathematics course in both ninth and tenth grades. This course may include career and technical education equivalencies in mathematics adopted pursuant to RCW 28A.230.097.

(2)(a) In recognition of the statutory authority of the state board of education to establish and enforce minimum high school graduation requirements, the state board shall periodically reevaluate the graduation requirements and shall report such findings to the legislature in a timely manner as determined by the state board.

(b) The state board shall reevaluate the graduation requirements for students enrolled in vocationally intensive and rigorous career and technical education programs, particularly those programs that lead to a certificate or credential that is state or nationally recognized. The purpose of the evaluation is to ensure that students enrolled in these programs have sufficient opportunity to earn a certificate of academic achievement, complete the program and earn the program's certificate or credential, and complete other state and local graduation requirements.

(c) The state board shall forward any proposed changes to the high school graduation requirements to the education committees of the legislature for review. The legislature shall have the opportunity to act during a regular legislative session before the changes are adopted through administrative rule by the state board. Changes that have a fiscal impact on school districts, as identified by a fiscal analysis prepared by the office of the superintendent of public instruction, shall take effect only if formally authorized and funded by the legislature through the omnibus appropriations act or other enacted legislation.

(3) Pursuant to any requirement for instruction in languages other than English established by the state board of education or a local school district, or both, for purposes of high school graduation, students who receive instruction in American sign language or one or more American Indian languages shall be considered to have satisfied the state or local school district graduation requirement for instruction in one or more languages other than English.

(4) If requested by the student and his or her family, a student who has completed high school courses before attending high school shall be given high school credit which shall be applied to fulfilling high school graduation requirements if:

(a) The course was taken with high school students, if the academic level of the course exceeds the requirements for seventh and eighth grade classes, and the student has successfully passed by completing the same course requirements and examinations as the high school students enrolled in the class; or

(b) The academic level of the course exceeds the requirements for seventh and eighth grade classes and the course would qualify for high school credit, because the course is similar or equivalent to a course offered at a high school in the district as determined by the school district board of directors. (5) Students who have taken and successfully completed high school courses under the circumstances in subsection (4) of this section shall not be required to take an additional competency examination or perform any other additional assignment to receive credit.

(6) At the college or university level, five quarter or three semester hours equals one high school credit.

**Sec. 5.** RCW 28A.655.061 and 2015 3rd sp.s. c 42 s 2 are each amended to read as follows:

(1) The high school assessment system shall include but need not be limited to the statewide student assessment, opportunities for a student to retake the content areas of the assessment in which the student was not successful, and, if approved by the legislature pursuant to subsection (10) of this section, one or more objective alternative assessments for a student to demonstrate achievement of state academic standards. The objective alternative assessments for each content area shall be comparable in rigor to the skills and knowledge that the student must demonstrate on the statewide student assessment for each content area.

(2) Subject to the conditions in this section, a certificate of academic achievement shall be obtained and is evidence that the students have successfully met the state standard in the content areas included in the certificate. With the exception of students satisfying the provisions of RCW 28A.155.045 or 28A.655.0611, acquisition of the certificate is required for graduation from a public high school but is not the only requirement for graduation.

(3)(a) Beginning with the graduating class of 2008 through the graduating class of 2015, with the exception of students satisfying the provisions of RCW 28A.155.045, a student who meets the state standards on the reading, writing, and mathematics high school statewide student assessment shall earn a certificate of academic achievement. The mathematics assessment shall be the end-of-course assessment for the first year of high school mathematics that assesses the standards common to algebra I and integrated mathematics that assesses standards common to geometry and integrated mathematics II.

(b) As the state transitions from reading and writing assessments to an English language arts assessment and from end-of-course assessments to a comprehensive assessment for high school mathematics, a student in a graduating class of 2016 through 2018 shall earn a certificate of academic achievement if the student meets the state standard as follows:

(i) Students in the graduating class of 2016 may use the results from:

(A) The reading and writing assessment or the English language arts assessment developed with the multistate consortium; and

(B) The end-of-course assessment for the first year of high school mathematics, the end-of-course assessment for the second year of high school mathematics, or the comprehensive mathematics assessment developed with the multistate consortium.

(ii) Students in the graduating classes of 2017 and 2018 may use the results from:

(A) The tenth grade English language arts assessment developed by the superintendent of public instruction using resources from the multistate

consortium or the English language arts assessment developed with the multistate consortium; and

(B) The end-of-course assessment for the first year of high school mathematics, the end-of-course assessment for the second year of high school mathematics, or the comprehensive mathematics assessment developed with the multistate consortium.

(c) Beginning with the graduating class of 2019, a student who meets the state standards on the high school English language arts assessment developed with the multistate consortium and the comprehensive mathematics assessment developed with the multistate consortium shall earn a certificate of academic achievement.

(d) If a student does not successfully meet the state standards in one or more content areas required for the certificate of academic achievement, then the student may retake the assessment in the content area at least twice a year at no cost to the student. If the student successfully meets the state standards on a retake of the assessment then the student shall earn a certificate of academic achievement. Once objective alternative assessments are authorized pursuant to subsection (10) of this section, a student may use the objective alternative assessments to demonstrate that the student successfully meets the state standards for that content area if the student has taken the state standards on the objective alternative assessments then the student successfully meets the state of state standards on the objective alternative assessments then the student successfully meets the state standards on the objective alternative assessments then the student shall earn a certificate of academic academic achievement.

(4) Beginning with the graduating class of ((<del>2017</del>)) <u>2021</u>, a student must meet the state standards in science in addition to the other content areas required under subsection (3) of this section on the statewide student assessment, a retake, or the objective alternative assessments in order to earn a certificate of academic achievement. The assessment under this subsection must be a comprehensive assessment of the science essential academic learning requirements adopted by the superintendent of public instruction in 2013.

(5) The state board of education may not require the acquisition of the certificate of academic achievement for students in home-based instruction under chapter 28A.200 RCW, for students enrolled in private schools under chapter 28A.195 RCW, or for students satisfying the provisions of RCW 28A.155.045.

(6) A student may retain and use the highest result from each successfully completed content area of the high school assessment.

(7) School districts must make available to students the following options:

(a) To retake the statewide student assessment at least twice a year in the content areas in which the student did not meet the state standards if the student is enrolled in a public school; or

(b) To retake the statewide student assessment at least twice a year in the content areas in which the student did not meet the state standards if the student is enrolled in a high school completion program at a community or technical college. The superintendent of public instruction and the state board for community and technical colleges shall jointly identify means by which students in these programs can be assessed.

(8) Students who achieve the standard in a content area of the high school assessment but who wish to improve their results shall pay for retaking the

assessment, using a uniform cost determined by the superintendent of public instruction.

(9) Opportunities to retake the assessment at least twice a year shall be available to each school district.

(10)(a) The office of the superintendent of public instruction shall develop options for implementing objective alternative assessments, which may include an appeals process for students' scores, for students to demonstrate achievement of the state academic standards. The objective alternative assessments shall be comparable in rigor to the skills and knowledge that the student must demonstrate on the statewide student assessment and be objective in its determination of student achievement of the state standards. Before any objective alternative assessments in addition to those authorized in RCW 28A.655.065 or (b) of this subsection are used by a student to demonstrate that the student has met the state standards in a content area required to obtain a certificate, the legislature shall formally approve the use of any objective alternative assessments through the omnibus appropriations act or by statute or concurrent resolution.

(b)(i) A student's score on the mathematics, reading or English, or writing portion of the SAT or the ACT may be used as an objective alternative assessment under this section for demonstrating that a student has met or exceeded the state standards for the certificate of academic achievement. The state board of education shall identify the scores students must achieve on the relevant portion of the SAT or ACT to meet or exceed the state standard in the relevant content area on the statewide student assessment. A student's score on the science portion of the ACT or the science subject area tests of the SAT may be used as an objective alternative assessment under this section as soon as the state board of education determines that sufficient data is available to identify reliable equivalent scores for the science content area of the statewide student assessment. After the first scores are established, the state board may increase but not decrease the scores required for students to meet or exceed the state standards.

(ii) A student who scores at least a three on the grading scale of one to five for selected AP examinations may use the score as an objective alternative assessment under this section for demonstrating that a student has met or exceeded state standards for the certificate of academic achievement. A score of three on the AP examinations in calculus or statistics may be used as an alternative assessment for the mathematics portion of the statewide student assessment. A score of three on the AP examinations in English language and composition may be used as an alternative assessment for the writing portion of the statewide student assessment; and for the English language arts portion of the assessment developed with the multistate consortium, once established in the 2014-15 school year. A score of three on the AP examinations in English literature and composition, macroeconomics, microeconomics, psychology, United States history, world history, United States government and politics, or comparative government and politics may be used as an alternative assessment for the reading portion of the statewide student assessment; and for the English language arts portion of the assessment developed with the multistate consortium, once established in the 2014-15 school year. A score of three on the AP examination in biology, physics, chemistry, or environmental science may be

used as an alternative assessment for the science portion of the statewide student assessment.

(iii) A student who scores at least a four on selected externally administered international baccalaureate (IB) examinations may use the score as an objective alternative assessment under this section for demonstrating that the student has met or exceeded state standards for the certificate of academic achievement. A score of four on the higher level IB examinations for any of the IB English language and literature courses or for any of the IB individuals and societies courses may be used as an alternative assessment for the reading, writing, or English language arts portions of the statewide student assessment. A score of four on the higher level IB examinations for any of the IB mathematics courses may be used as an alternative assessment for the mathematics portion of the statewide student assessment. A score of four on the higher level IB examinations for any of the IB mathematics courses may be used as an alternative assessment for the mathematics portion of the statewide student assessment. A score of four on the higher level IB examinations for the statewide student assessment. A score of four on the higher level IB examinations for the mathematics portion of the statewide student assessment for the science portion of the statewide student assessment.

(11) To help assure continued progress in academic achievement as a foundation for high school graduation and to assure that students are on track for high school graduation, each school district shall prepare plans for and notify students and their parents or legal guardians as provided in this subsection. Student learning plans are required for eighth grade students who were not successful on any or all of the content areas of the state assessment during the previous school year or who may not be on track to graduate due to credit deficiencies or absences. The parent or legal guardian shall be notified about the information in the student learning plan, preferably through a parent conference and at least annually. To the extent feasible, schools serving English language learner students and their parents shall translate the plan into the primary language of the family. The plan shall include the following information as applicable:

(a) The student's results on the state assessment;

(b) If the student is in the transitional bilingual program, the score on his or her Washington language proficiency test II;

(c) Any credit deficiencies;

(d) The student's attendance rates over the previous two years;

(e) The student's progress toward meeting state and local graduation requirements;

(f) The courses, competencies, and other steps needed to be taken by the student to meet state academic standards and stay on track for graduation;

(g) Remediation strategies and alternative education options available to students, including informing students of the option to continue to receive instructional services after grade twelve or until the age of twenty-one;

(h) The alternative assessment options available to students under this section and RCW 28A.655.065;

(i) School district programs, high school courses, and career and technical education options available for students to meet graduation requirements; and

(j) Available programs offered through skill centers or community and technical colleges, including the college high school diploma options under RCW 28B.50.535.

**Sec. 6.** RCW 28A.655.068 and 2013 2nd sp.s. c 22 s 4 are each amended to read as follows:

(1) Beginning in the 2011-12 school year, the statewide high school assessment in science shall be an end-of-course assessment for biology that measures the state standards for life sciences, in addition to systems, inquiry, and application as they pertain to life sciences.

(2)(a) The superintendent of public instruction may develop or adopt science end-of-course assessments or a comprehensive science assessment that includes subjects in addition to biology for purposes of RCW 28A.655.061, when so directed by the legislature. The legislature intends to transition from a biology end-of-course assessment to a more comprehensive science assessment in a manner consistent with the way in which the state transitioned to an English language arts assessment and a comprehensive mathematics assessment. The legislature further intends that the transition will include at least two years of using the student assessment results from either the biology end-of-course assessment or the more comprehensive assessment in order to provide students with reasonable opportunities to demonstrate high school competencies while being mindful of the increasing rigor of the new assessment.

(b) The superintendent of public instruction shall develop or adopt a science assessment in accordance with RCW 28A.655.070(10) that is not biased toward persons with different learning styles, racial or ethnic backgrounds, or on the basis of gender.

(c) Before the next subsequent school year after the legislature directs the superintendent to develop or adopt a new science assessment, the superintendent of public instruction shall review the objective alternative assessments for the science assessment and make recommendations to the legislature regarding additional objective alternatives, if any.

(3) The superintendent of public instruction may participate with consortia of multiple states as common student learning standards and assessments in science are developed. The superintendent of public instruction, in consultation with the state board of education, may modify the essential academic learning requirements and statewide student assessments in science, including the high school assessment, according to the multistate common student learning standards and assessments as long as the education committees of the legislature have opportunities for review before the modifications are adopted, as provided under RCW 28A.655.070.

(4) The statewide high school assessment under this section shall be used to demonstrate that a student meets the state standards in the science content area of the statewide student assessment ((for purposes of)) until a comprehensive science assessment is required under RCW 28A.655.061.

<u>NEW SECTION.</u> Sec. 7. Section 5 of this act applies retroactively to students in the graduating class of 2017.

<u>NEW SECTION.</u> 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.

Passed by the House June 27, 2017. Passed by the Senate July 1, 2017. Approved by the Governor July 7, 2017. Filed in Office of Secretary of State July 7, 2017.

# CHAPTER 32

## [House Bill 2243]

GROWTH MANAGEMENT ACT--RURAL SCHOOLS--PUBLIC FACILITIES AND UTILITIES

AN ACT Relating to the siting of schools and school facilities; and adding a new section to chapter 36.70A RCW.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 36.70A RCW to read as follows:

(1) This chapter does not prohibit a county planning under RCW 36.70A.040 from authorizing the extension of public facilities and utilities to serve a school sited in a rural area that serves students from a rural area and an urban area so long as the following requirements are met:

(a) The applicable school district board of directors has adopted a policy addressing school service area and facility needs and educational program requirements;

(b) The applicable school district has made a finding, with the concurrence of the county legislative authority and the legislative authorities of any affected cities, that the district's proposed site is suitable to site the school and any associated recreational facilities that the district has determined cannot reasonably be collocated on an existing school site, taking into consideration the policy adopted in (a) of this subsection and the extent to which vacant or developable land within the growth area meets those requirements;

(c) The county and any affected cities agree to the extension of public facilities and utilities to serve the school sited in a rural area that serves urban and rural students at the time of concurrence in (b) of this subsection;

(d) If the public facility or utility is extended beyond the urban growth area to serve a school, the public facility or utility must serve only the school and the costs of such extension must be borne by the applicable school district based on a reasonable nexus to the impacts of the school, except as provided in subsection (3) of this section; and

(e) Any impacts associated with the siting of the school are mitigated as required by the state environmental policy act, chapter 43.21C RCW.

(2) This chapter does not prohibit either the expansion or modernization of an existing school in the rural area or the placement of portable classrooms at an existing school in the rural area.

(3) Where a public facility or utility has been extended beyond the urban growth area to serve a school, the public facility or utility may, where consistent with RCW 36.70A.110(4), serve a property or properties in addition to the school if the property owner so requests, provided that the county and any affected cities agree with the request and provided that the property is located no further from the public facility or utility than the distance that, if the property were within the urban growth area, the property would be required to connect to the public facility or utility. In such an instance, the school district may, for a period not to exceed twenty years, require reimbursement from a requesting property owner for a proportional share of the construction costs incurred by the school district for the extension of the public facility or utility.

(4) By December 1, 2023, the department shall report to the governor and the appropriate committees of the legislature about schools outside of urban

growth areas that have been built, are under construction, or are planned as a result of the requirements of this act. The report shall include the number, location, and characteristics of the schools; the number of urban and rural students served; and a cost analysis of schools built outside of urban growth boundaries.

Passed by the House July 1, 2017. Passed by the Senate June 30, 2017. Approved by the Governor July 7, 2017. Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 33**

[Substitute Senate Bill 5605]

### OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BACKGROUND CHECKS

AN ACT Relating to aligning the office of the superintendent of public instruction's background check authority with that of the department of early learning; amending RCW 28A.400.303, 28A.400.305, 28A.410.010, and 28A.410.090; reenacting and amending RCW 43.215.215; and adding a new section to chapter 28A.400 RCW.

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

**Sec. 1.** RCW 28A.400.303 and 2014 c 50 s 1 are each amended to read as follows:

(1) School districts, educational service districts, the Washington state center for childhood deafness and hearing loss, the state school for the blind, and their contractors hiring employees who will have regularly scheduled unsupervised access to children or developmentally disabled persons shall require a record check through the Washington state patrol criminal identification system under RCW 43.43.830 through 43.43.834, 10.97.030, and 10.97.050 and through the federal bureau of investigation before hiring an employee. The record check shall include a fingerprint check using a complete Washington state criminal identification fingerprint card. The requesting entity ((shall)) may provide a copy of the record report to the applicant at the applicant's request. When necessary, applicants may be employed on a conditional basis pending completion of the investigation. If the applicant has had a record check within the previous two years, the district, the Washington state center for childhood deafness and hearing loss, the state school for the blind, or contractor may waive the requirement. Except as provided in subsection (2) of this section, the district, pursuant to chapter 41.59 or 41.56RCW, the Washington state center for childhood deafness and hearing loss, the state school for the blind, or contractor hiring the employee shall determine who shall pay costs associated with the record check.

(2) Federal bureau of Indian affairs-funded schools may use the process in subsection (1) of this section to perform record checks for their employees and applicants for employment.

(3)(a) School districts, educational service districts, the Washington state center for childhood deafness and hearing loss, the state school for the blind, federal bureau of Indian affairs-funded schools, charter schools established under chapter 28A.710 RCW, schools that are the subject of a state-tribal education compact under chapter 28A.715 RCW, and their contractors may use the process in subsection (1) of this section to perform record checks for any

prospective volunteer who will have regularly scheduled unsupervised access to children under eighteen years of age or developmentally disabled persons, during the course of his or her involvement with the school or organization under circumstances where access will or may involve the following:

(i) Groups of five or fewer children under twelve years of age;

(ii) Groups of three or fewer children between twelve and eighteen years of age; or

(iii) Developmentally disabled persons.

(b) For purposes of (a) of this subsection, "unsupervised" means not in the presence of:

(i) Another employee or volunteer from the same school or organization; or

(ii) Any relative or guardian of any of the children or developmentally disabled persons to which the prospective employee or volunteer has access during the course of his or her involvement with the school or organization.

(4) Individuals who hold a valid portable background check clearance card issued by the department of early learning consistent with RCW 43.215.215 can meet the requirements in subsection (1) of this section by providing a true and accurate copy of their Washington state patrol and federal bureau of investigation background report results to the office of the superintendent of public instruction.

(5) The cost of record checks must include: The fees established by the Washington state patrol and the federal bureau of investigation for the criminal history background checks; a fee paid to the superintendent of public instruction for the cost of administering this section and RCW 28A.195.080 and 28A.410.010; and other applicable fees for obtaining the fingerprints.

Sec. 2. RCW 28A.400.305 and 2010 c 100 s 1 are each amended to read as follows:

The superintendent of public instruction shall adopt rules as necessary under chapter 34.05 RCW ((<del>on record check information</del>)) to implement RCW <u>28A.400.303</u>. The rules shall include, but not be limited to the following:

(1) Written procedures providing a school district, approved private school, Washington state center for childhood deafness and hearing loss, state school for the blind, ((<del>or</del>)) federal bureau of Indian affairs-funded school employee, <u>charter</u> <u>school established under chapter 28A.710 RCW</u>, <u>school that is the subject of a</u> <u>state-tribal education compact under chapter 28A.715 RCW</u>, or applicant for certification or employment access to and review of information obtained based on the record check required under RCW 28A.400.303; and

(2) Written procedures limiting access to the superintendent of public instruction record check database to only those individuals processing record check information at the office of the superintendent of public instruction, the appropriate school district or districts, approved private schools, the Washington state center for childhood deafness and hearing loss, the state school for the blind, the appropriate educational service district or districts, ((and)) the appropriate federal bureau of Indian affairs-funded schools, the appropriate charter schools, and the appropriate state-tribal education compact schools.

**Sec. 3.** RCW 28A.410.010 and 2014 c 50 s 2 are each amended to read as follows:

(1)(a) The Washington professional educator standards board shall establish, publish, and enforce rules determining eligibility for and certification of personnel employed in the common schools of this state, including certification for emergency or temporary, substitute or provisional duty and under such certificates or permits as the board shall deem proper or as otherwise prescribed by law. The rules shall require that the initial application for certification shall require, at the applicant's expense, a criminal history record check of the applicant through the Washington state patrol criminal identification system under RCW 43.43.830 through 43.43.834, 10.97.030, and 10.97.050 and through the federal bureau of investigation ((at the applicant's expense)). The record check shall include a fingerprint check using a complete Washington state criminal identification fingerprint card. An individual who holds a valid portable background check clearance card issued by the department of early learning consistent with RCW 43.215.215 is exempt from the office of the superintendent of public instruction fingerprint background check if the individual provides a true and accurate copy of his or her Washington state patrol and federal bureau of investigation background report results to the office of the superintendent of public instruction. The superintendent of public instruction may waive the record check for any applicant who has had a record check within the two years before application. The superintendent of public instruction shall use the fingerprint criminal history record check information solely for the purpose of determining eligibility for a certificate under this section. The rules shall permit a holder of a lapsed certificate but not a revoked or suspended certificate to be employed on a conditional basis by a school district with the requirement that the holder must complete any certificate renewal requirements established by the state board of education within two years of initial reemployment.

(b) In establishing rules pertaining to the qualifications of instructors of American sign language the board shall consult with the national association of the deaf, "sign instructors guidance network" (s.i.g.n.), and the Washington state association of the deaf for evaluation and certification of sign language instructors.

(c) The board shall develop rules consistent with RCW 18.340.020 for the certification of spouses of military personnel.

(2) The superintendent of public instruction shall act as the administrator of any such rules and have the power to issue any certificates or permits and revoke the same in accordance with board rules.

**Sec. 4.** RCW 28A.410.090 and 2013 c 163 s 1 are each amended to read as follows:

(1)(a) Any certificate or permit authorized under the provisions of this chapter, chapter 28A.405 RCW, or rules promulgated thereunder may be revoked or suspended by the authority authorized to grant the same based upon a criminal records report authorized by law, or upon the complaint of the professional educator standards board or any school district superintendent, educational service district superintendent, or private school administrator for ((immorality)) lack of good moral character or personal fitness, violation of written contract, unprofessional conduct, intemperance, or crime against the law of the state. A reprimand may be issued as an alternative to suspension or revocation of a certificate or permit. School district superintendents, educational

service district superintendents, the professional educator standards board, or private school administrators may file a complaint concerning any certificated employee of a school district, educational service district, or private school and this filing authority is not limited to employees of the complaining superintendent or administrator. Such written complaint shall state the grounds and summarize the factual basis upon which a determination has been made that an investigation by the superintendent of public instruction is warranted.

(b) If the superintendent of public instruction has reasonable cause to believe that an alleged violation of this chapter or rules adopted under it has occurred based on a written complaint alleging physical abuse or sexual misconduct by a certificated school employee filed by a parent or another person, but no complaint has been forwarded to the superintendent by a school district superintendent, educational service district superintendent, or private school administrator, and that a school district superintendent, educational service district superintendent, or private school administrator has sufficient notice of the alleged violation and opportunity to file a complaint, the superintendent of public instruction may cause an investigation to be made of the alleged violation, together with such other matters that may be disclosed in the course of the investigation related to certificated personnel.

(2) A parent or another person may file a written complaint with the superintendent of public instruction alleging physical abuse or sexual misconduct by a certificated school employee if:

(a) The parent or other person has already filed a written complaint with the educational service district superintendent concerning that employee;

(b) The educational service district superintendent has not caused an investigation of the allegations and has not forwarded the complaint to the superintendent of public instruction for investigation; and

(c) The written complaint states the grounds and factual basis upon which the parent or other person believes an investigation should be conducted.

(3) Any certificate or permit authorized under the provisions of this chapter, chapter 28A.405 RCW, or rules adopted thereunder may be revoked or suspended by the authority authorized to grant the same upon complaint from the professional educator standards board alleging unprofessional conduct in the form of a fraudulent submission of a test for educators. A reprimand may be issued as an alternative to suspension or revocation of a certificate or permit. The professional educator standards board must issue to the superintendent of public instruction a written complaint stating the grounds and factual basis upon which the professional educator standards board believes an investigation should be conducted pursuant to this section. In all cases under this subsection, the person whose certificate is in question shall be given an opportunity to be heard and has the right to appeal as established in RCW 28A.410.100.

(4)(a) Any such certificate or permit authorized under this chapter or chapter 28A.405 RCW shall be revoked by the authority authorized to grant the certificate upon a guilty plea or the conviction of any felony crime specified under RCW 28A.400.322, in accordance with this section. The person whose certificate is in question shall be given an opportunity to be heard.

(b) Mandatory permanent revocation upon a guilty plea or the conviction of felony crimes specified under RCW 28A.400.322(1) shall apply to such

convictions or guilty pleas which occur after July 23, 1989, and before July 26, 2009.

(c) Mandatory permanent revocation upon a guilty plea or conviction of felony crimes specified under RCW 28A.400.322(2) shall apply to such convictions or guilty pleas that occur on or after July 26, 2009.

(d) Revocation of any certificate or permit authorized under this chapter or chapter 28A.405 RCW for a guilty plea or criminal conviction of a crime specified under RCW 28A.400.322 occurring prior to July 23, 1989, shall be subject to the provisions of subsection (1) of this section.

(5)(a) Any such certificate or permit authorized under this chapter or chapter 28A.405 RCW shall be suspended or revoked, according to the provisions of this subsection, by the authority authorized to grant the certificate upon a finding that an employee has engaged in an unauthorized use of school equipment to intentionally access material depicting sexually explicit conduct or has intentionally possessed on school grounds any material depicting sexually explicit conduct; except for material used in conjunction with established curriculum. A first time violation of this subsection shall result in either suspension or revocation of the employee's certificate or permit as determined by the office of the superintendent of public instruction. A second violation shall result in a mandatory revocation of the certificate or permit.

(b) In all cases under this subsection (5), the person whose certificate is in question shall be given an opportunity to be heard and has the right to appeal as established in RCW 28A.410.100. Certificates or permits shall be suspended or revoked under this subsection only if findings are made on or after July 24, 2005. For the purposes of this subsection, "sexually explicit conduct" has the same definition as provided in RCW 9.68A.011.

(6) Any such certificate or permit authorized under this chapter or chapter 28A.405 RCW shall be revoked by the authority authorized to grant the certificate upon a finding that the certificate holder obtained the certificate through fraudulent means, including fraudulent misrepresentation of required academic credentials or prior criminal record. In all cases under this subsection, the person whose certificate is in question shall be given an opportunity to be heard and has the right to appeal as established in RCW 28A.410.100. Certificates or permits shall be revoked under this subsection only if findings are made on or after July 26, 2009.

(7)(a) In determining whether an individual lacks good moral character or personal fitness under this chapter, the superintendent of public instruction may consider founded reports of child abuse or neglect made by the department of social and health services pursuant to RCW 26.44.030.

(b) The department of social and health services shall furnish the superintendent with reports of founded findings of child abuse or neglect in a timely fashion, but shall not disclose to the superintendent screened-out, inconclusive, or unfounded reports as defined in RCW 26.44.020.

(c) If the department of social and health services inadvertently furnishes the superintendent with a screened-out, inconclusive, or unfounded report in violation of this section, the superintendent shall:

(i) Not consider the information contained in the reports for any purpose;

(ii) Notify the department of social and health services of the violation of this section;

(iii) Notify the subject of the reports at his or her last known address of the department of social and health service's violation; and

(iv) Destroy the improperly disclosed reports.

<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 28A.400 RCW to read as follows:

The K-12 criminal background check account is created in the custody of the state treasurer. All fees collected by the office of the superintendent of public instruction pursuant to RCW 28A.400.303 must be deposited in the account. Expenditures from the account may be made only for the purpose of administering the office of the superintendent of public instruction's duties under RCW 28A.400.303 and 28A.410.010. Only the superintendent of public instruction or the superintendent's designee may authorize expenditures from the account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

**Sec. 6.** RCW 43.215.215 and 2011 c 295 s 2 and 2011 c 253 s 4 are each reenacted and amended to read as follows:

(1) In determining whether an individual is of appropriate character, suitability, and competence to provide child care and early learning services to children, the department may consider the history of past involvement of child protective services or law enforcement agencies with the individual for the purpose of establishing a pattern of conduct, behavior, or inaction with regard to the health, safety, or welfare of a child. No report of child abuse or neglect that has been destroyed or expunged under RCW 26.44.031 may be used for such purposes. No unfounded or inconclusive allegation of child abuse or neglect as defined in RCW 26.44.020 may be disclosed to a provider licensed under this chapter.

(2) In order to determine the suitability of individuals newly applying for an agency license, new licensees, their new employees, and other persons who newly have unsupervised access to children in care, shall be fingerprinted.

(a) The fingerprints shall be forwarded to the Washington state patrol and federal bureau of investigation for a criminal history record check.

(b)(i) Effective July 1, 2012, all individuals applying for first-time agency licenses, all new employees, and other persons who have not been previously qualified by the department to have unsupervised access to children in care must be fingerprinted and obtain a criminal history record check pursuant to this section.

(ii) Persons required to be fingerprinted and obtain a criminal (([history])) history record check pursuant to this section must pay for the cost of this check as follows: The fee established by the Washington state patrol for the criminal background history check, including the cost of obtaining the fingerprints; and a fee paid to the department for the cost of administering the individual-based/portable background check clearance registry. The fee paid to the department must be deposited into the individual-based/portable background check clearance account established in RCW 43.215.218. The licensee may, but need not, pay these costs on behalf of a prospective employee or reimburse the prospective employee for these costs.

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(c) The director shall use the fingerprint criminal history record check information solely for the purpose of determining eligibility for a license and for determining the character, suitability, and competence of those persons or agencies, excluding parents, not required to be licensed who are authorized to care for children.

(d) Criminal justice agencies shall provide the director such information as they may have and that the director may require for such purpose.

(e) No later than July 1, 2013, all agency licensees holding licenses prior to July 1, 2012, persons who were employees before July 1, 2012, and persons who have been qualified by the department before July 1, 2012, to have unsupervised access to children in care, must submit a new background application to the department. The department must require persons submitting a new background application pursuant to this subsection (2)(e) to pay a fee to the department for the cost of administering the individual-based/portable background check clearance registry. This fee must be paid into the individual-based/portable background check clearance account established in RCW 43.215.218. The licensee may, but need not, pay these costs on behalf of a prospective employee or reimburse the prospective employee for these costs. The licensee and the prospective employee may share these costs.

(f) The department shall issue a background check clearance card or certificate to the applicant if after the completion of a background check the department concludes the applicant is qualified for unsupervised access to children in care. The background check clearance card or certificate is valid for three years from the date of issuance. A valid card or certificate must be accepted by a potential employer as proof that the applicant has successfully completed a background check as required under this chapter.

(g) The original applicant for an agency license, licensees, their employees, and other persons who have unsupervised access to children in care shall submit a new background check application to the department, on a form and by a date as determined by the department.

(h) The applicant and agency shall maintain on-site for inspection a copy of the background check clearance card or certificate.

(i) Individuals who have been issued a background check clearance card or certificate shall report nonconviction and conviction information to the department within twenty-four hours of the event constituting the nonconviction or conviction information.

(j) The department shall investigate and conduct a redetermination of an applicant's or licensee's background clearance if the department receives a complaint or information from individuals, a law enforcement agency, or other federal, state, or local government agency. Subject to the requirements contained in RCW 43.215.300 and 43.215.305 and based on a determination that an individual lacks the appropriate character, suitability, or competence to provide child care or early learning services to children, the department may: (i) Invalidate the background card or certificate; or (ii) suspend, modify, or revoke any license authorized by this chapter.

(3) To satisfy the shared background check requirements of the department of early learning, the office of the superintendent of public instruction, and the department of social and health services, each department shall share federal fingerprint-based background check results as permitted under the law. The purpose of this provision is to allow ((both)) these departments to fulfill their joint background check responsibility of checking any individual who may have unsupervised access to vulnerable adults, children, or juveniles. ((Neither)) <u>These</u> departments may <u>not</u> share the federal background check results with any other state agency or person.

(4) Individuals who have completed a fingerprint background check as required by the office of the superintendent of public instruction, consistent with RCW 28A.400.303, and have been continuously employed by the same school district or educational service district, can meet the requirements in subsection (2) of this section by providing a true and accurate copy of their Washington state patrol and federal bureau of investigation background check report results to the department or if the school district or the educational service district provides an affidavit to the department that the individual has been authorized to work by the school district or educational service district after completing a record check consistent with RCW 28A.400.303. The department may require that additional background checks be completed that do not require additional fingerprinting and may charge a fee for these additional background checks.

Passed by the Senate June 30, 2017. Passed by the House June 30, 2017. Approved by the Governor July 7, 2017. Filed in Office of Secretary of State July 7, 2017.

## **CHAPTER 34**

[Second Engrossed Senate Bill 5867]

### PERSONAL CARE SERVICES BY FAMILY MEMBER--REPORT--INDIAN TRIBE MEMBERS

AN ACT Relating to creating a flexible voluntary program to allow family members to provide personal care services to persons with developmental disabilities or long-term care needs under a consumer-directed medicaid service program; amending RCW 74.39A.326; creating new sections; and providing an expiration date.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that the most common form of long-term care provided to persons who are elderly, disabled, or have a developmental disability is provided by a family member in a personal residence. The legislature also finds that care provided by a family member who is chosen by the recipient is often the most appropriate form of care, allowing vulnerable individuals to remain independent while maintaining a sense of dignity and choice. The current system of medicaid services has complexities that may create obstacles for consumers who wish to be cared for by a family member and for family members who enter the system solely to provide care for their loved ones.

Therefore, the legislature intends to direct a study of the current options allowing for the delivery of medicaid personal care services by caregivers who are family members of the state's citizens who are aging, disabled, or who have a developmental disability. The legislature intends to promote more flexibility for clients to access their benefits and to reduce obstacles for clients who wish to hire family members to provide their care. <u>NEW SECTION.</u> Sec. 2. (1) The joint legislative executive committee on aging and disability is directed to explore legislation that would allow family members to provide personal care services to persons with developmental disabilities, or long-term care needs under a voluntary consumer-directed medicaid service program. As part of this work, the committee must also include a discussion of consumer-directed approaches, including those approaches that allow family members of the consumer to provide care, and develop recommendations on:

(a) Promoting consumer health, safety, and autonomy;

(b) Ensuring adequate caregiver training and support;

(c) Verifying the quality and appropriateness of care;

(d) Reducing barriers for consumers who prefer to receive care from caregivers of their choosing, including family members; and

(e) Mitigating or minimizing potential liability issues that may arise in the context of consumer-directed programs.

(2) The joint legislative executive committee on aging and disability must submit a report with recommendations to the appropriate policy and fiscal committee of the legislature by July 1, 2018.

(3) This section expires July 1, 2018.

Sec. 3. RCW 74.39A.326 and 2009 c 571 s 1 are each amended to read as follows:

(1)(a) Except as provided under (b) of this subsection, the department shall not pay a home care agency licensed under chapter 70.127 RCW for in-home personal care or respite services provided under this chapter, Title 71A RCW, or chapter 74.39 RCW if the care is provided to a client by a family member of the client. To the extent permitted under federal law, the provisions of this subsection shall not apply if the family member providing care is older than the client.

(b) The department may, on a case-by-case basis based on the client's health and safety, make exceptions to (a) of this subsection to authorize payment or to provide for payment during a transition period of up to three months. <u>Within available funds</u>, the restrictions under (a) of this subsection do not apply when the care is provided to: (i) A client who is an enrolled member of a federally recognized Indian tribe; or (ii) a client who resides in the household of an enrolled member of a federally recognized Indian tribe.

(2) The department shall take appropriate enforcement action against a home care agency found to have charged the state for hours of service for which the department is not authorized to pay under this section, including requiring recoupment of any payment made for those hours and, under criteria adopted by the department by rule, terminating the contract of an agency that violates a recoupment requirement.

(3) For purposes of this section:

(a) "Client" means a person who has been deemed eligible by the department to receive in-home personal care or respite services.

(b) "Family member" shall be liberally construed to include, but not be limited to, a parent, child, sibling, aunt, uncle, cousin, grandparent, grandchild, grandniece, or grandnephew, or such relatives when related by marriage.

(4) The department shall adopt rules to implement this section. The rules shall not result in affecting the amount, duration, or scope of the personal care or

respite services benefit to which a client may be entitled pursuant to RCW 74.09.520 or Title XIX of the federal social security act.

Passed by the Senate June 30, 2017. Passed by the House June 30, 2017. Approved by the Governor July 7, 2017. Filed in Office of Secretary of State July 7, 2017.

# **CHAPTER 35**

[Senate Bill 5924]

### COMMUNITY AND TECHNICAL COLLEGE FOREST RESERVE LANDS--EXCHANGE

AN ACT Relating to exchanging charitable, educational, penal, and reformatory institutions trust lands for community and technical college forest reserve lands; amending RCW 79.02.420; and declaring an emergency.

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

Sec. 1. RCW 79.02.420 and 2003 c 334 s 225 are each amended to read as follows:

(1) The legislature finds that the state's community and technical colleges need a dedicated source of revenue to augment other sources of capital improvement funding. The intent of this section is to ensure that the forestland purchased under section 310, chapter 16, Laws of 1990 1st ex. sess. and known as the community and technical college forest reserve land base, is managed in perpetuity and in the same manner as state forestlands for sustainable commercial forestry and multiple use of lands consistent with RCW 79.10.120. These lands will also be managed to provide an outdoor education and experience area for organized groups. The lands will provide a source of revenue for the long-term capital improvement needs of the state community and technical college system.

(2) There has been increasing pressure to convert forestlands within areas of the state subject to population growth. Loss of forestland in urbanizing areas reduces the production of forest products and the available supply of open space, watershed protection, habitat, and recreational opportunities. The land known as the community and technical college forest reserve land base is forever reserved from sale. However, the timber and other products on the land may be sold, or the land may be leased in the same manner and for the same purposes as authorized for state granted lands if the department finds the sale or lease to be in the best interest of this forest reserve land base and approves the terms and conditions of the sale or lease.

(3) The land exchange and acquisition powers provided in RCW 79.17.020 may be used by the department to reposition land within the community and technical college forest reserve land base consistent with subsection (1) of this section.

(4) By June 30, 2019, the department must exchange land within the community and technical college forest reserve for land of equal value held for the benefit of charitable, educational, penal, and reformatory institutions that is currently leased to certain community and technical colleges under section 1, chapter 168, Laws of 1985 and section 1, chapter 198, Laws of 2004. The department must transfer the community and technical college forest reserve

land that the department acquires in the exchange out of the community and technical college forest reserve, and the department must transfer ownership of that land to the state board for community and technical colleges to be managed for educational purposes.

(5) Up to twenty-five percent of the revenue from these lands, as determined by the board, will be deposited in the forest development account to reimburse the forest development account for expenditures from the account for management of these lands.

(((5))) (6) The community college forest reserve account, created under section 310, chapter 16, Laws of 1990 1st ex. sess., is renamed the community and technical college forest reserve account. The remainder of the revenue from these lands must be deposited in the community and technical college forest reserve account. Money in the account may be appropriated by the legislature for the capital improvement needs of the state community and technical college system or to acquire additional forest reserve lands.

*<u>NEW SECTION.</u> Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

*Sec. 2 was vetoed. See message at end of chapter.

Passed by the Senate June 30, 2017.

Passed by the House June 30, 2017.

Approved by the Governor July 7, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 7, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 2, Senate Bill 5924 entitled:

"AN ACT Relating to exchanging charitable, educational, penal, and reformatory institutions trust lands for community and technical college forest reserve lands."

This bill requires the Department of Natural Resources (Department) to exchange community and technical college forest reserve lands for lands of equal value held for the benefit of charitable, educational, penal, and reformatory institutions that are currently leased to certain community and technical colleges. This exchange will benefit all parties, including the Department as trust manager, certain community and technical colleges, and the beneficiaries of these trust lands.

But, I am vetoing Section 2, as the emergency clause is not necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions.

For these reasons I have vetoed Section 2 of Senate Bill No. 5924.

With the exception of Section 2, Senate Bill No. 5924 is approved."

## **CHAPTER 36**

[Engrossed Substitute Senate Bill 5939] RENEWABLE ENERGY--TAX INCENTIVES--FEES

AN ACT Relating to promoting a sustainable, local renewable energy industry through modifying renewable energy system tax incentives and providing guidance for renewable energy system component recycling; amending RCW 82.16.120, 82.16.130, 82.08.962, 82.08.963, 82.12.962, and 82.12.963; adding new sections to chapter 82.16 RCW; adding new sections to

chapter 80.28 RCW; adding a new section to chapter 43.180 RCW; adding a new chapter to Title 70 RCW; creating a new section; and declaring an emergency.

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

NEW SECTION. Sec. 1. The legislature finds and declares that stimulating local investment in distributed renewable energy generation is an important part of a state energy strategy, helping to increase energy independence from fossil fuels, promote economic development, hedge against the effects of climate change, and attain environmental benefits. The legislature intends to increase the effectiveness of the existing renewable energy investment cost recovery program by reducing the maximum incentive rate provided for each kilowatt-hour of electricity generated by a renewable energy system over the period of the program and by creating opportunities for broader participation by low-income individuals and others who may not own the premises where a renewable energy system may be installed. The legislature intends to provide an incentive sufficient to promote installation of systems through 2021, at which point the legislature expects that the state's renewable energy industry will be capable of sustained growth and vitality without the cost recovery incentive. The legislature intends for the program to balance the deployment of community solar and shared commercial solar projects in order to support participation in renewable energy generation, and that deployment of community solar projects is balanced among eligible utilities, nonprofits, and local housing authorities, as doing so will support maximum deployment of renewable energy generation throughout the state.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 82.16 RCW to read as follows:

(1) This section is the tax preference performance statement for the tax preference and incentives created under RCW 82.16.130 and section 6 of this act. This performance statement is only intended to be used for subsequent evaluation of the tax preference and incentives. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes the tax preference created under RCW 82.16.130 and incentive payments authorized in section 6 of this act as intended to:

(a) Induce participating utilities to make incentive payments to utility customers who invest in renewable energy systems; and

(b) By inducing utilities, nonprofit organizations, and utility customers to acquire and install renewable energy systems, retain jobs in the clean energy sector and create additional jobs.

(3) The legislature's public policy objectives are to:

(a) Increase energy independence from fossil fuels; and

(b) Promote economic development through increasing and improving investment in, development of, and use of clean energy technology in Washington; and

(c) Increase the number of jobs in and enhance the sustainability of the clean energy technology industry in Washington.

(4) It is the legislature's intent to provide the incentives in section 6 of this act and RCW 82.16.130 in order to ensure the sustainable job growth and vitality

(5) As part of its 2021 tax preference reviews, the joint legislative audit and review committee must review the tax preferences and incentives in section 6 of this act and RCW 82.16.130. The legislature intends for the legislative auditor to determine that the incentive has achieved its desired outcomes if the following objectives are achieved:

(a) Installation of one hundred fifteen megawatts of solar photovoltaic capacity by participants in the incentive program between July 1, 2017, and June 30, 2021; and

(b) Growth of solar-related employment from 2015 levels, as evidenced by:

(i) An increased per capita rate of solar energy-related jobs in Washington, which may be determined by consulting a relevant trade association in the state; or

(ii) Achievement of an improved national ranking for solar energy-related employment and per capita solar energy-related employment, as reported in a nationally recognized report.

(6) In order to obtain the data necessary to perform the review, the joint legislative audit and review committee may refer to data collected by the Washington State University extension energy program and may obtain employment data from the employment security department.

(7) The Washington State University extension energy program must collect, through the application process, data from persons claiming the tax credit under RCW 82.16.130 and persons receiving the incentive payments created in section 6 of this act, as necessary, and may collect data from other interested persons as necessary to report on the performance of this act.

(8) All recipients of tax credits or incentive payments awarded under this chapter must provide data necessary to evaluate the tax preference performance objectives in this section as requested by the Washington State University extension energy program or the joint legislative audit and review committee. Failure to comply may result in the loss of a tax credit award or incentive payment in the following year.

Sec. 3. RCW 82.16.120 and 2011 c 179 s 3 are each amended to read as follows:

(1)(a) Any individual, business, local governmental entity, not in the light and power business or in the gas distribution business, or a participant in a community solar project may apply to the light and power business serving the situs of the system, each fiscal year beginning on July 1, 2005, and ending June <u>30, 2017</u>, for an investment cost recovery incentive for each kilowatt-hour from a customer-generated electricity renewable energy system.

(b) In the case of a community solar project as defined in RCW 82.16.110(2)(a)(i), the administrator must apply for the investment cost recovery incentive on behalf of each of the other owners.

(c) In the case of a community solar project as defined in RCW 82.16.110(2)(a)(iii), the company owning the community solar project must apply for the investment cost recovery incentive on behalf of each member of the company.

(2)(a) Before submitting for the first time the application for the incentive allowed under subsection (4) of this section, the applicant must submit to the department of revenue and to the climate and rural energy development center at the Washington State University, established under RCW 28B.30.642, a certification in a form and manner prescribed by the department that includes, but is not limited to, the ((following)) information(( $\div$ )) described in (c) of this subsection.

(b) The department may not accept certifications submitted to the department under (a) of this subsection after September 30, 2017.

(c) The certification must include:

(i) The name and address of the applicant and location of the renewable energy system.

(A) If the applicant is an administrator of a community solar project as defined in RCW 82.16.110(2)(a)(i), the certification must also include the name and address of each of the owners of the community solar project.

(B) If the applicant is a company that owns a community solar project as defined in RCW 82.16.110(2)(a)(iii), the certification must also include the name and address of each member of the company;

(ii) The applicant's tax registration number;

(iii) That the electricity produced by the applicant meets the definition of "customer-generated electricity" and that the renewable energy system produces electricity with:

(A) Any solar inverters and solar modules manufactured in Washington state;

(B) A wind generator powered by blades manufactured in Washington state;

(C) A solar inverter manufactured in Washington state;

(D) A solar module manufactured in Washington state;

(E) A stirling converter manufactured in Washington state; or

(F) Solar or wind equipment manufactured outside of Washington state;

(iv) That the electricity can be transformed or transmitted for entry into or operation in parallel with electricity transmission and distribution systems; and

(v) The date that the renewable energy system received its final electrical ((permit)) inspection from the applicable local jurisdiction.

(((b))) (d) Within thirty days of receipt of the certification the department of revenue must notify the applicant by mail, or electronically as provided in RCW 82.32.135, whether the renewable energy system qualifies for an incentive under this section. The department may consult with the climate and rural energy development center to determine eligibility for the incentive. System certifications and the information contained therein are <u>not confidential tax</u> information under RCW 82.32.330 and are subject to disclosure ((under RCW 82.32.330(3)(1))).

(3)(a) By August 1st of each year <u>through August 1, 2017, the</u> application for the incentive must be made to the light and power business serving the situs of the system by certification in a form and manner prescribed by the department that includes, but is not limited to, the following information:

(i) The name and address of the applicant and location of the renewable energy system.

(A) If the applicant is an administrator of a community solar project as defined in RCW 82.16.110(2)(a)(i), the application must also include the name and address of each of the owners of the community solar project.

(B) If the applicant is a company that owns a community solar project as defined in RCW 82.16.110(2)(a)(iii), the application must also include the name and address of each member of the company;

(ii) The applicant's tax registration number;

(iii) The date of the notification from the department of revenue stating that the renewable energy system is eligible for the incentives under this section; and

(iv) A statement of the amount of kilowatt-hours generated by the renewable energy system in the prior fiscal year.

(b) Within sixty days of receipt of the incentive certification the light and power business serving the situs of the system must notify the applicant in writing whether the incentive payment will be authorized or denied. The business may consult with the climate and rural energy development center to determine eligibility for the incentive payment. Incentive certifications and the information contained therein are <u>not confidential tax information under RCW 82.32.330 and are</u> subject to disclosure ((<del>under RCW 82.32.330(3)(1)</del>)).

(c)(i) Persons, administrators of community solar projects, and companies receiving incentive payments must keep and preserve, for a period of five years, suitable records as may be necessary to determine the amount of incentive applied for and received. Such records must be open for examination at any time upon notice by the light and power business that made the payment or by the department. If upon examination of any records or from other information obtained by the business or department it appears that an incentive has been paid in an amount that exceeds the correct amount of incentive payable, the business may assess against the person for the amount found to have been paid in excess of the correct amount of incentive payable and must add thereto interest on the amount. Interest is assessed in the manner that the department assesses interest upon delinquent tax under RCW 82.32.050.

(ii) If it appears that the amount of incentive paid is less than the correct amount of incentive payable the business may authorize additional payment.

(4) Except for community solar projects, the investment cost recovery incentive may be paid fifteen cents per economic development kilowatt-hour unless requests exceed the amount authorized for credit to the participating light and power business. For community solar projects, the investment cost recovery incentive may be paid thirty cents per economic development kilowatt-hour unless requests exceed the amount authorized for credit to the participating light and power business. For the purposes of this section, the rate paid for the investment cost recovery incentive may be multiplied by the following factors:

(a) For customer-generated electricity produced using solar modules manufactured in Washington state or a solar stirling converter manufactured in Washington state, two and four-tenths;

(b) For customer-generated electricity produced using a solar or a wind generator equipped with an inverter manufactured in Washington state, one and two-tenths;

(c) For customer-generated electricity produced using an anaerobic digester, or by other solar equipment or using a wind generator equipped with blades manufactured in Washington state, one; and (d) For all other customer-generated electricity produced by wind, eight-tenths.

(5)(a) No individual, household, business, or local governmental entity is eligible for incentives provided under subsection (4) of this section for more than five thousand dollars per year.

(b) Except as provided in (c) through (e) of this subsection (5), each applicant in a community solar project is eligible for up to five thousand dollars per year.

(c) Where the applicant is an administrator of a community solar project as defined in RCW 82.16.110(2)(a)(i), each owner is eligible for an incentive but only in proportion to the ownership share of the project, up to five thousand dollars per year.

(d) Where the applicant is a company owning a community solar project that has applied for an investment cost recovery incentive on behalf of its members, each member of the company is eligible for an incentive that would otherwise belong to the company but only in proportion to each ownership share of the company, up to five thousand dollars per year. The company itself is not eligible for incentives under this section.

(e) In the case of a utility-owned community solar project, each ratepayer that contributes to the project is eligible for an incentive in proportion to the contribution, up to five thousand dollars per year.

(6) ((If requests for the investment cost recovery incentive exceed the amount of funds available for credit to the participating light and power business, the incentive payments must be reduced proportionately.

(7))) The climate and rural energy development center at Washington State University energy program may establish guidelines and standards for technologies that are identified as Washington manufactured and therefore most beneficial to the state's environment.

 $(((\frac{8})))$  (7) The environmental attributes of the renewable energy system belong to the applicant, and do not transfer to the state or the light and power business upon receipt of the investment cost recovery incentive.

(((9))) (8) No incentive may be paid under this section for kilowatt-hours generated before July 1, 2005, or after June 30, ((2020)) 2017, except as provided in subsections (10) through (12) of this section.

(9) Beginning October 1, 2017, program management, technical review, and tracking responsibilities of the department under this section are transferred to the Washington State University extension energy program. At the earliest date practicable and no later than September 30, 2017, the department must transfer all records necessary for the administration of the remaining incentive payments due under this section to the Washington State University extension energy program.

(10) Participants in the renewable energy investment cost recovery program under this section will continue to receive payments for electricity produced through June 30, 2020, at the same rates their utility paid to participants for electricity produced between July 1, 2015, and June 30, 2016.

(11) In order to continue to receive the incentive payment allowed under subsection (4) of this section, a person or community solar project administrator who has, by September 30, 2017, submitted a complete certification to the department under subsection (2) of this section must apply to the Washington State University extension energy program by April 30, 2018, for a certification authorizing the utility serving the situs of the renewable energy system to annually remit the incentive payment allowed under subsection (4) of this section for each kilowatt-hour generated by the renewable energy system through June 30, 2020.

(12)(a) The Washington State University extension energy program must establish an application process and form by which to collect the system operation data described in section 6(7)(a)(iii) of this act from each person or community solar project administrator applying for a certification under subsection (11) of this section. The Washington State University extension energy program must notify any applicant that providing this data is a condition of certification and that any certification issued pursuant to this section is void as of June 30, 2018, if the applicant has failed to provide the data by that date.

(b) Beginning July 1, 2018, the Washington State University extension energy program must, in a form and manner that is consistent with the roles and processes established under section 6 (19) and (20) of this act, calculate for the year and provide to the utility the amount of the incentive payment due to each participant under subsection (11) of this section.

Sec. 4. RCW 82.16.130 and 2010 c 202 s 3 are each amended to read as follows:

(1) A light and power business ((shall be)) is allowed a credit against taxes due under this chapter in an amount equal to ((investment cost recovery)):

(a) Incentive payments made in any fiscal year under RCW 82.16.120 and section 6 of this act; and

(b) Any fees a utility is allowed to recover pursuant to section 6(5) of this act.

(2) The credits ((shall)) <u>must</u> be taken in a form and manner as required by the department. The credit <u>taken</u> under this section for the fiscal year may not exceed <u>one and</u> one-half percent of the businesses' taxable power sales <u>generated</u> in <u>calendar year 2014</u> and due under RCW 82.16.020(1)(b) or ((one)) <u>two</u> hundred <u>fifty</u> thousand dollars, whichever is greater. ((Incentive payments to participants in a utility-owned community solar project as defined in RCW 82.16.110(2)(a)(ii) may only account for up to twenty-five percent of the total allowable credit. Incentive payments to participants in a company-owned community solar project as defined in RCW 82.16.110(2)(a)(iii) may only account for up to five percent of the total allowable credit.))

(3) The credit may not exceed the tax that would otherwise be due under this chapter. Refunds ((shall)) may not be granted in the place of credits. Expenditures not used to earn a credit in one fiscal year may not be used to earn a credit in subsequent years.

 $(((\frac{2})))$  (4) For any business that has claimed credit for amounts that exceed the correct amount of the incentive payable under RCW 82.16.120, the amount of tax against which credit was claimed for the excess payments ((shall be)) is immediately due and payable. The department may deduct amounts due from future credits claimed by the business.

(a) Except as provided in (b) of this subsection, the department ((shall)) must assess interest but not penalties on the taxes against which the credit was claimed. Interest ((shall)) must be assessed at the rate provided for delinquent excise taxes under chapter 82.32 RCW, retroactively to the date the credit was claimed, and ((shall)) accrues until the taxes against which the credit was claimed are repaid.

(((3))) (b) A business is not liable for excess payments made in reliance on amounts reported by the Washington State University extension energy program as due and payable as provided under section 6(20) of this act, if such amounts are later found to be abnormal or inaccurate due to no fault of the business.

(5) The amount of credit taken under this section is not confidential taxpayer information under RCW 82.32.330 and is subject to disclosure.

(6) The right to earn tax credits ((under this section)) for incentive payments made under RCW 82.16.120 expires June 30, 2020. Credits may not be claimed after June 30, 2021.

(7) The right to earn tax credits for incentive payments made under section 6 of this act expires June 30, ((2020)) 2029. Credits may not be claimed after June 30, ((2021)) 2030.

<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 82.16 RCW to read as follows:

The definitions in this section apply throughout this section and sections 6 through 8 of this act unless the context clearly requires otherwise.

(1) "Administrator" means the utility, nonprofit, or other local housing authority that organizes and administers a community solar project as provided in sections 6 and 7 of this act.

(2) "Certification" means the authorization issued by the Washington State University extension energy program establishing a person's eligibility to receive annual incentive payments from the person's utility for the program term.

(3) "Commercial-scale system" means a renewable energy system or systems other than a community solar project or a shared commercial solar project with a combined nameplate capacity greater than twelve kilowatts that meets the applicable system eligibility requirements established in section 6 of this act.

(4) "Community solar project" means a solar energy system that has a direct current nameplate generating capacity that is no larger than one thousand kilowatts and meets the applicable eligibility requirements established in sections 6 and 7 of this act.

(5) "Consumer-owned utility" has the same meaning as in RCW 19.280.020.

(6) "Customer-owner" means the owner of a residential-scale or commercial-scale renewable energy system, where such owner is not a utility and such owner is a customer of the utility and either owns the premises where the renewable energy system is installed or occupies the premises.

(7) "Electric utility" or "utility" means a consumer-owned utility or investor-owned utility as those terms are defined in RCW 19.280.020.

(8) "Governing body" has the same meaning as provided in RCW 19.280.020.

(9) "Person" means any individual, firm, partnership, corporation, company, association, agency, or any other legal entity.

(10) "Program term" means: (a) For community solar projects, eight years or until cumulative incentive payments for electricity produced by the project reach fifty percent of the total system price, including applicable sales tax, whichever occurs first; and (b) for other renewable energy systems, including shared commercial solar projects, eight years or until cumulative incentive payments for electricity produced by a system reach fifty percent of the total system price, including applicable sales tax, whichever occurs first.

(11) "Renewable energy system" means a solar energy system, including a community solar project, an anaerobic digester as defined in RCW 82.08.900, or a wind generator used for producing electricity.

(12) "Residential-scale system" means a renewable energy system or systems located at a single situs with combined nameplate capacity of twelve kilowatts or less that meets the applicable system eligibility requirements established in section 6 of this act.

(13) "Shared commercial solar project" means a solar energy system, owned or administered by an electric utility, with a combined nameplate capacity of greater than one megawatt and not more than five megawatts and meets the applicable eligibility requirements established in sections 6 and 8 of this act.

<u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 82.16 RCW to read as follows:

(1) Beginning July 1, 2017, the following persons may submit a one-time application to the Washington State University extension energy program to receive a certification authorizing the utility serving the situs of a renewable energy system in the state of Washington to remit an annual production incentive for each kilowatt-hour of alternating current electricity generated by the renewable energy system:

(a) The utility's customer who is the customer-owner of a residential-scale or commercial-scale renewable energy system;

(b) An administrator of a community solar project meeting the eligibility requirements outlined in section 7 of this act and applies for certification on behalf of each of the project participants; or

(c) A utility or a business under contract with a utility that administers a shared commercial solar project that meets the eligibility requirements in section 8 of this act and applies for certification on behalf of each of the project participants.

(2) No person, business, or household is eligible to receive incentive payments provided under subsection (1) of this section of more than five thousand dollars per year for residential systems or community solar projects, twenty-five thousand dollars per year for commercial-scale systems, or thirty-five thousand dollars per year for shared commercial solar projects.

(3)(a) No new certification may be issued under this section to an applicant who submits a request for or receives an annual incentive payment for a renewable energy system that was certified under RCW 82.16.120, or for a renewable energy system served by a utility that has elected not to participate in the incentive program, as provided in subsection (4) of this section.

(b) The Washington State University extension energy program may issue a new certification for an additional system installed at a situs with a previously certified system so long as the new system meets the requirements of this section and its production can be measured separately from the previously certified system.

(c) The Washington State University extension energy program may issue a recertification for a residential-scale or commercial-scale system if a customer makes investments resulting in an expansion of the system's nameplate capacity.

Such recertification expires on the same day as the original certification for the residential-scale or commercial-scale system and applies to the entire system the incentive rates and program rules in effect as of the date of the recertification.

(4) A utility's participation in the incentive program provided in this section is voluntary.

(a) A utility electing to participate in the incentive program must notify the Washington State University extension energy program of such election in writing.

(b) The utility may terminate its voluntary participation in the production incentive program by providing notice in writing to the Washington State University extension energy program to cease issuing new certifications for renewable energy systems that would be served by that utility.

(c) Such notice of termination of participation is effective after fifteen days, at which point the Washington State University extension energy program may not accept new applications for certification of renewable energy systems that would be served by that utility.

(d) Upon receiving a utility's notice of termination of participation in the incentive program, the Washington State University extension energy program must report on its web site that customers of that utility are no longer eligible to receive new certifications under the program.

(e) A utility's termination of participation does not affect the utility's obligation to continue to make annual incentive payments for electricity generated by systems that were certified prior to the effective date of the notice. The Washington State University extension energy program must continue to process and issue certifications for renewable energy systems that were received by the Washington State University extension energy program before the effective date of the notice of termination.

(f) A utility that has terminated participation in the program may resume participation upon filing notice with the Washington State University extension energy program.

(5)(a) The Washington State University extension energy program may certify a renewable energy system that is connected to equipment capable of measuring the electricity production of the system and interconnecting with the utility's system in a manner that allows the utility, or the customer at the utility's option, to measure and report to the Washington State University extension energy program the total amount of electricity produced by the renewable energy system.

(b) The Washington State University extension energy program must establish a reporting and fee-for-service system to accept electricity production data from the utility or the customer that is not reported electronically and with the reporting entity selected at the utility's option as described in subsection (19) of this section. The fee-for-service agreement must allow for electronic reporting or reporting by mail, may be specific to individual utilities, and must recover only the program's costs of obtaining the electricity production data and incorporating it into an electronic format. A statement of the amount due for the fee-for-service must be provided to the utility by the Washington State University extension energy program with the report provided to the utility pursuant to subsection (20)(a) of this section. The utility may determine how to assess and remit the fee, and the utility may be allowed a credit for fees paid under this subsection (5) against taxes due, as provided in RCW 82.16.130(1).

(6) The Washington State University extension energy program may issue a certification authorizing annual incentive payments up to the following annual dollar limits:

(a) For community solar projects, five thousand dollars per project participant;

(b) For residential-scale systems, five thousand dollars;

(c) For commercial-scale systems, twenty-five thousand dollars; and

(d) For shared commercial solar projects, up to thirty-five thousand dollars a year per participant, as determined by the terms of subsection (15) of this section.

(7)(a) To obtain certification under this section, a person must submit to the Washington State University extension energy program an application, including:

(i) A signed statement that the applicant has not previously received a notice of eligibility from the department under RCW 82.16.120 entitling the applicant to receive annual incentive payments for electricity generated by the renewable energy system at the same meter location;

(ii) A signed statement of the total price, including applicable sales tax, paid by the applicant for the renewable energy system;

(iii) System operation data including global positioning system coordinates, tilt, estimated shading, and azimuth;

(iv) Any other information the Washington State University extension energy program deems necessary in determining eligibility and incentive levels, administering the program, tracking progress toward achieving the limits on program participation established in RCW 82.16.130, or facilitating the review of the performance of the tax preferences by the joint legislative audit and review committee, as described in section 2 of this act; and

(v)(A) Except as provided in (a)(v)(B) of this subsection (7), the date that the renewable energy system received its final electrical inspection from the applicable local jurisdiction, as well as a copy of the permit or, if the permit is available online, the permit number;

(B) The Washington State University extension energy program may waive the requirement in (a)(v)(A) of this subsection (7), accepting an application and granting provisional certification prior to proof of final electrical inspection. Provisional certification expires one hundred eighty days after issuance, unless the applicant submits proof of the final electrical inspection from the applicable local jurisdiction or the Washington State University extension energy program extends the certification, for a term or terms of thirty days, due to extenuating circumstances; and

(b)(i) Prior to obtaining certification under this subsection, a community solar project or shared commercial solar project must apply for precertification against the remaining funds available for incentive payments under subsection (13)(d) of this section in order to be guaranteed an incentive payment under this section;

(ii) A project applicant of a community solar project or shared commercial solar project must complete an application for certification with the Washington

State University extension energy program within less than one year to retain the precertification status described in this subsection; and

(iii) The Washington State University extension energy program may design a reservation or precertification system for an applicant of a residential-scale or commercial-scale renewable energy system.

(8) No incentive payments may be authorized or accrued until the final electrical inspection and executed interconnection agreement are submitted to the Washington State University extension energy program.

(9) Within thirty days of receipt of the application for certification, the Washington State University extension energy program must notify the applicant and, except when a utility is the applicant, the utility serving the situs of the renewable energy system, by mail or electronically, whether certification has been granted. The certification notice must state the rate to be paid per kilowatthour of electricity generated by the renewable energy system, as provided in subsection (12) of this section, subject to any applicable cap on total annual payment provided in subsection (6) of this section.

(10) Certification is valid for the program term and entitles the applicant or, in the case of a community solar project or shared commercial solar project, the participant, to receive incentive payments for electricity generated from the date the renewable energy system commences operation, or the date the system is certified, whichever date is later. For purposes of this subsection, the Washington State University extension energy program must define when a renewable energy system commences operation and provide notice of such date to the recipient and the utility serving the situs of the system. Certification may not be retroactively changed except to correct later discovered errors that were made during the original application or certification process.

(11)(a) System certification follows the system if the following conditions are met using procedures established by the Washington State University extension energy program:

(i) The renewable energy system is transferred to a new owner who notifies the Washington State University extension energy program of the transfer; and

(ii) The new owner provides an executed interconnection agreement with the utility serving the premises.

(b) In the event that a community solar project participant terminates their participation in a community solar project, the system certification follows the system and participation may be transferred to a new participant. The administrator of a community solar project must provide notice to the Washington State University extension energy program of any changes or transfers in project participation.

(12) The Washington State University extension energy program must determine the total incentive rate for a new renewable energy system certification by adding to the base rate any applicable made-in-Washington bonus rate. A made-in-Washington bonus rate is provided for a renewable energy system or a community solar project with solar modules made in Washington or with a wind turbine or tower that is made in Washington. Both the base rates and bonus rate vary, depending on the fiscal year in which the system is certified and the type of renewable energy system being certified, as provided in the following table:

Fiscal year of system certification	Base rate - residential- scale	Base rate - commercial- scale	Base rate - community solar	Base rate - shared commercial solar	Made in Washington bonus
2018	\$0.16	\$0.06	\$0.16	\$0.06	\$0.05
2019	\$0.14	\$0.04	\$0.14	\$0.04	\$0.04
2020	\$0.12	\$0.02	\$0.12	\$0.02	\$0.03
2021	\$0.10	\$0.02	\$0.10	\$0.02	\$0.02

(13) The Washington State University extension energy program must cease to issue new certifications:

(a) For community solar projects and shared commercial solar projects in any fiscal year for which the Washington State University extension energy program estimates that fifty percent of the remaining funds for credit available to a utility for renewable energy systems certified under this section as of July 1, 2017, have been allocated to community solar projects and shared commercial solar projects combined;

(b) For commercial-scale systems in any fiscal year for which the Washington State University extension energy program estimates that twenty-five percent of the remaining funds for credit available to a utility for renewable energy systems certified under this section as of July 1, 2017, have been allocated to commercial-scale systems;

(c) For any renewable energy system served by a utility, if certification is likely to result in incentive payments by that utility, including payments made under RCW 82.16.120, exceeding the utility's available funds for credit under RCW 82.16.130; and

(d) For any renewable energy system, if certification is likely to result in total incentive payments under this section exceeding one hundred ten million dollars.

(14) If the Washington State University extension energy program ceases issuing new certifications during a fiscal year or biennium as provided in subsection (13) of this section, in the following fiscal year or biennium, or when additional funds are available for credit such that the thresholds described in subsection (13) of this section are no longer exceeded, the Washington State University extension energy program must resume issuing new certifications using a method of awarding certifications that results in equitable and orderly allocation of benefits to applicants.

(15) A customer who is a participant in a shared commercial solar project may not receive incentive payments associated with the project greater than the difference between the levelized cost of energy output of the system over its production life and the retail rate for the rate class to which the customer belongs. The levelized cost of the output of the energy must be determined by the utility that administers the shared commercial solar project and must be disclosed, along with an explanation of the limitations on incentive payments contained in this subsection (15), in the contractual agreement with the shared commercial solar project participants.

(16) In order to begin to receive annual incentive payments, a person who has been issued a certification for the incentive as provided in subsection (9) of

this section must obtain an executed interconnection agreement with the utility serving the situs of the renewable energy system.

(17) The Washington State University extension energy program must establish a list of equipment that is eligible for the bonus rates described in subsection (12) of this section. The Washington State University extension energy program must, in consultation with the department of commerce, develop technical specifications and guidelines to ensure consistent and predictable determination of eligibility. A solar module is made in Washington for purposes of receiving the bonus rate only if the lamination of the module takes place in Washington. A wind turbine is made in Washington only if it is powered by a turbine or built with a tower manufactured in Washington.

(18) The manufacturer of a renewable energy system component subject to a bonus rate under subsection (12) of this section may apply to the Washington State University extension energy program to receive a determination of eligibility for such bonus rates. The Washington State University extension energy program must publish a list of components that have been certified as eligible for such bonus rates. The Washington State University extension energy program may assess an equipment certification fee to recover its costs. The Washington State University extension energy program must deposit all revenue generated by this fee into the state general fund.

(19) Annually, the utility must report electronically to the Washington State University extension energy program the amount of gross kilowatt-hours generated by each renewable energy system since the prior annual report. For the purposes of this section, to report electronically means to submit statistical or factual information in alphanumeric form through a web site established by the Washington State University extension energy program or in a list, table, spreadsheet, or other nonnarrative format that can be digitally transmitted or processed. The utility may instead opt to report by mail or require program participants to report individually, but if the utility exercises one or more of these options it must negotiate with the Washington State University extension energy program the fee-for-service arrangement described in subsection (5)(b) of this section.

(20)(a) The Washington State University extension energy program must calculate for the year and provide to the utility the amount of the incentive payment due to each participant and the total amount of credit against tax due available to the utility under RCW 82.16.130 that has been allocated as annual incentive payments. Upon notice to the Washington State University extension energy program, a utility may opt to directly perform this calculation and provide its results to the Washington State University extension energy program.

(b) If the Washington State University extension energy program identifies an abnormal production claim, it must notify the utility, the department of revenue, and the applicant, and must recommend withholding payment until the applicant has demonstrated that the production claim is accurate and valid. The utility is not liable to the customer for withholding payments pursuant to such recommendation unless and until the Washington State University extension energy program notifies the utility to resume incentive payments.

(21)(a) The utility must issue the incentive payment within ninety days of receipt of the information required under subsection (20)(a) of this section from the Washington State University extension energy program. The utility must

resume the incentive payments withheld under subsection (20)(b) of this section within thirty days of receiving notice from the Washington State University extension energy program that the claim has been demonstrated accurate and valid and payment should be resumed.

(b) A utility is not liable for incentive payments to a customer-owner if the utility has disconnected the customer due to a violation of a customer service agreement, such as nonpayment of the customer's bill, or a violation of an interconnection agreement.

(22) Beginning January 1, 2018, the Washington State University extension energy program must post on its web site and update at least monthly a report, by utility, of:

(a) The number of certifications issued for renewable energy systems, including estimated system sizes, costs, and annual energy production and incentive yields for various system types; and

(b) An estimate of the amount of credit that has not yet been allocated for incentive payments under each utility's credit limit and remains available for new renewable energy system certifications.

(23) Persons receiving incentive payments under this section must keep and preserve, for a period of five years for the duration of the consumer contract, suitable records as may be necessary to determine the amount of incentive payments applied for and received. The Washington State University extension energy program may direct a utility to cease issuing incentive payments if the records are not made available for examination upon request. A utility receiving such a directive is not liable to the applicant for any incentive payments or other damages for ceasing payments pursuant to the directive.

(24) The nonpower attributes of the renewable energy system belong to the utility customer who owns or hosts the system or, in the case of a community solar project or a shared commercial solar project, the participant, and can be kept, sold, or transferred at the utility customer's discretion unless, in the case of a utility-owned community solar or shared commercial solar project, a contract between the customer and the utility clearly specifies that the attributes will be retained by the utility.

(25) All lists, technical specifications, determinations, and guidelines developed under this section must be made publicly available online by the Washington State University extension energy program.

(26) No certification may be issued under this section after June 30, 2021.

(27) The Washington State University extension energy program must collect a one-time fee for applications submitted under subsection (1) of this section of one hundred twenty-five dollars per applicant. The Washington State University extension energy program must deposit all revenue generated by this fee into the state general fund. The Washington State University extension energy program must administer and budget for the program established in RCW 82.16.120, this section, and section 7 of this act in a manner that ensures its administrative costs through June 30, 2022, are completely met by the revenues from this fee. If the Washington State University extension energy program determines that the fee authorized in this subsection is insufficient to cover the administrative costs through June 30, 2022, the Washington State University extension energy program must report to the legislature on costs incurred and

fees collected and demonstrate why a different fee amount or funding mechanism should be authorized.

(28) The Washington State University extension energy program may, through a public process, develop any program requirements, policies, and processes necessary for the administration or implementation of this section, RCW 82.16.120, and sections 2 and 7 of this act. The department is authorized, in consultation with the Washington State University extension energy program, to adopt any rules necessary for administration or implementation of the program established under this section and section 7 of this act.

(29) Applications, certifications, requests for incentive payments under this section, and the information contained therein are not deemed tax information under RCW 82.32.330 and are subject to disclosure.

(30)(a) By November 1, 2019, and in compliance with RCW 43.01.036, the Washington State University extension energy program must submit a report to the legislature that includes the following:

(i) The number and types of renewable energy systems that have been certified under this section as of July 1, 2019, both statewide and per participating utility;

(ii) The number of utilities that are approaching or have reached the credit limit established under RCW 82.16.130(2) or the thresholds established under section 6(13) of this act;

(iii) The share of renewable energy systems by type that contribute to each utility's threshold under subsection (13) of this section;

(iv) An assessment of the deployment of community solar projects in the state, including but not limited to the following:

(A) An evaluation of whether or not community solar projects are being deployed in low-income and moderate-income communities, as those terms are defined in RCW 43.63A.510, including a description of any barriers to project deployment in these communities;

(B) A description of the share of community solar projects by administrator type that contribute to each utility's threshold under subsection (13)(a) of this section; and

(C) A description of any barriers to participation by nonprofits and local housing authorities in the incentive program established under this section and under section 7 of this act;

(v) The total dollar amount of incentive payments that have been made to participants in the incentive program established under this section to date; and

(vi) The total number of megawatts of solar photovoltaic capacity installed to date by participants in the incentive program established under this section.

(b) By December 31, 2019, the legislature must review the report submitted under (a) of this subsection and determine whether the credit limit established under RCW 82.16.130(2) should be increased to two percent of a light and power business' taxable power sales generated in calendar year 2014 and due under RCW 82.16.020(1)(b) or two hundred fifty thousand dollars, whichever is greater, in order to achieve the legislative intent under section 1 of this act.

<u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 82.16 RCW to read as follows:

(1) The purpose of community solar programs is to facilitate broad, equitable community investment in and access to solar power. Beginning July 1,

(2) A community solar project must have a direct current nameplate capacity that is no more than one thousand kilowatts and must have at least ten participants or one participant for every ten kilowatts of direct current nameplate capacity, whichever is greater. A community solar project that has a direct current nameplate capacity greater than five hundred kilowatts must be subject to a standard interconnection agreement with the utility serving the situs of the community solar project. Except for community solar projects authorized under subsection (9) of this section, each participant must be a customer of the utility providing service at the situs of the community solar project.

(3) The administrator of a community solar project must administer the project in a transparent manner that allows for fair and nondiscriminatory opportunity for participation by utility customers.

(4) The administrator of a community solar project may establish a reasonable fee to cover costs incurred in organizing and administering the community solar project. Project participants, prior to making the commitment to participate in the project, must be given clear and conspicuous notice of the portion of the incentive payment that will be used for this purpose.

(5) The administrator of a community solar project must maintain and update annually through June 30, 2030, the following information for each project it operates or administers:

(a) Ownership information;

(b) Contact information for technical management questions;

(c) Business address;

(d) Project design details, including project location, output capacity, equipment list, and interconnection information; and

(e) Subscription information, including rates, fees, terms, and conditions.

(6) The administrator of a community solar project must provide the information required in subsection (5) of this section to the Washington State University extension energy program at the time it submits the application allowed under section 6(1) of this act.

(7) The administrator of a community solar project must provide each project participant with a disclosure form containing all material terms and conditions of participation in the project, including but not limited to the following:

(a) Plain language disclosure of the terms under which the project participant's share of any incentive payment will be calculated by the Washington State University extension energy program over the life of the contract;

(b) Contract provisions regulating the disposition or transfer of the project participant's interest in the project, including any potential costs associated with such a transfer;

(c) All recurring and nonrecurring charges;

(d) A description of the billing and payment procedures;

(e) A description of any compensation to be paid in the event of project underperformance;

(f) Current production projections and a description of the methodology used to develop the projections;

(g) Contact information for questions and complaints; and

(h) Any other terms and conditions of the services provided by the administrator.

(8) A utility may not adopt rates, terms, conditions, or standards that unduly or unreasonably discriminate between utility-administered community solar projects and those administered by another entity.

(9) A public utility district that is engaged in distributing electricity to more than one retail electric customer in the state and a joint operating agency organized under chapter 43.52 RCW on or before January 1, 2017, may enter into an agreement with each other to construct and own a community solar project that is located on property owned by a joint operating agency or on property that receives electric service from a participating public utility district. Each participant of a community solar project under this subsection must be a customer of at least one of the public utility districts that is a party to the agreement with a joint operating agency to construct and own a community solar project.

(10) The Washington utilities and transportation commission must publish, without disclosing proprietary information, a list of the following:

(a) Entities other than utilities, including affiliates or subsidiaries of utilities, that organize and administer community solar projects; and

(b) Community solar projects and related programs and services offered by investor-owned utilities.

(11) If a consumer-owned utility opts to provide a community solar program or contracts with a nonutility administrator to offer a community solar program, the governing body of the consumer-owned utility must publish, without disclosing proprietary information, a list of the nonutility administrators contracted by the utility as part of its community solar program.

(12) Except for parties engaged in actions and transactions regulated under laws administered by other authorities and exempted under RCW 19.86.170, a violation of this section constitutes an unfair or deceptive act in trade or commerce in violation of chapter 19.86 RCW, the consumer protection act. Acts in violation of this act are not reasonable in relation to the development and preservation of business, and constitute matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW.

(13) Nothing in this section may be construed as intending to preclude persons from investing in or possessing an ownership interest in a community solar project, or from applying for and receiving federal investment tax credits.

<u>NEW SECTION.</u> Sec. 8. A new section is added to chapter 82.16 RCW to read as follows:

(1) The purpose of a shared commercial solar project is to provide an entry point in solar utilization by large load customers in a manner that achieves economies of scale and maximizes system performance without limitations posed by on-site systems where sun exposure is not optimal or structural and other site deficiencies preclude solar development.

(2) Beginning July 1, 2017, a utility may, at its discretion, organize and administer a shared commercial solar project as provided in this section.

(3) A shared commercial solar project must have a direct current nameplate capacity greater than one megawatt and no more than five megawatts and must

have at least five participants. To receive incentive payments under section 6 of this act, each participant must be a customer of the utility providing service at the situs of the shared commercial solar project and must be located in the state of Washington.

(4) The administrator of a shared commercial solar project must administer the project in a transparent manner.

(5) The administrator of a shared commercial solar project may establish a reasonable fee to cover costs incurred in organizing and administering the shared commercial solar project. Project participants, prior to making the commitment to participate in the project, must be given clear and conspicuous notice of the fees charged by the administrator as authorized under this subsection.

(6) The administrator of a shared commercial solar project must submit to the Washington State University extension energy program at the time it submits an application allowed under section 6(1) of this act project design details, including project location, output capacity, equipment list, and interconnection information.

(7) The administrator of a shared commercial solar project must provide each project participant with a disclosure form containing all material terms and conditions of participation in the project, including but not limited to the following:

(a) All recurring and nonrecurring charges;

(b) A description of the billing and payment procedures;

(c) Production projections and a description of the methodology used to develop the projections;

(d) An estimate of the project participant's share of any incentive payment over the life of the contract;

(e) A description of contract terms that relate to project underperformance;

(f) Contract provisions regulating the disposition or transfer of the project participant's interest in the project, including any potential costs associated with such a transfer;

(g) Contact information for questions and complaints; and

(h) Any other terms and conditions of the services provided by the administrator.

(8) If a utility opts to contract with a nonutility administrator to offer a shared commercial solar program, the utility must publish, without disclosing proprietary information, the name of the nonutility administrator contracted by the utility as part of its shared commercial solar program.

(9) In order to meet the intent of this act of promoting a sustainable, local renewable energy industry, the legislature prefers award of the majority of the installation of shared commercial solar projects be given to contractors based in Washington state. In the event the majority of the installation of a shared commercial solar project is awarded to out-of-state contractors, the administrator must submit to the Washington State University extension energy program the reasons for using out-of-state contractors, the percentage of installation work performed by out-of-state contractors, and a cost comparison of the installation services performed by out-of-state contractors against the same services performed by Washington-based contractors.

<u>NEW SECTION.</u> Sec. 9. A new section is added to chapter 82.16 RCW to read as follows:

(1) Any person who sells a solar module to a customer-owner, or who receives compensation from a customer-owner in exchange for installing a solar module for use in a residential-scale system or commercial-scale system in Washington must provide to the customer-owner current information regarding the tax incentives available to the customer-owner under Washington law, including the scheduled expiration date of any tax incentives and the maximum period of time during which the customer-owner may benefit from any tax incentives, based on the law as it existed on the date of sale or installation of the solar module.

(2) The definitions in section 5 of this act apply to this section.

(3) For the purposes of this section, "solar module" has the same meaning as provided in RCW 82.16.110.

(4) The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act or practice in the conduct of trade or commerce and an unfair method of competition. Violations of this section may be enforced by the attorney general under the consumer protection act, chapter 19.86 RCW.

<u>NEW SECTION.</u> Sec. 10. A new section is added to chapter 80.28 RCW to read as follows:

The definitions in this section apply throughout this section and section 11 of this act unless the context clearly requires otherwise.

(1) "Community solar company" means a person, firm, or corporation, other than an electric utility or a community solar cooperative, that owns a community solar project and provides community solar project services to project participants.

(2) "Community solar project" means a solar energy system that has a direct current nameplate generating capacity that is no larger than one thousand kilowatts.

(3) "Community solar project services" means the provision of electricity generated by a community solar project, or the provision of the financial benefits associated with electricity generated by a community solar project, to multiple project participants, and may include other services associated with the use of the community solar project such as system monitoring and maintenance, warranty provisions, performance guarantees, and customer service.

(4) "Electric utility" means a consumer-owned utility or investor-owned utility as those terms are defined in RCW 19.280.020.

(5) "Project participant" means a customer who enters into a lease, power purchase agreement, loan, or other financial agreement with a community solar company in order to obtain a beneficial interest in, other than direct ownership of, a community solar project.

(6) "Solar energy system" means any device or combination of devices or elements that rely upon direct sunlight as an energy source for use in the generation of electricity.

<u>NEW SECTION.</u> Sec. 11. A new section is added to chapter 80.28 RCW to read as follows:

(1) No community solar company may engage in business in this state except in accordance with the provisions of this chapter. Engaging in business as a community solar company includes advertising, soliciting, offering, or entering into an agreement to own a community solar project and provide community solar project services to electric utility customers.

(2) A community solar company must register with the commission before engaging in business in this state or applying for certification from the Washington State University extension energy program under section 6(1) of this act. Registration with the commission as a community solar company must occur on an annual basis. The registration must be on a form prescribed by the commission and contain that information as the commission may by rule require, but must include at a minimum:

(a) The name and address of the community solar company;

(b) The name and address of the community solar company's registered agent, if any;

(c) The name, address, and title of each officer or director;

(d) The community solar company's most current balance sheet;

(e) The community solar company's latest annual report, if any;

(f) A description of the services the community solar company offers or intends to offer, including financing models; and

(g) Disclosure of any pending litigation against it.

(3) As a precondition to registration, the commission may require the procurement of a performance bond or other mechanism sufficient to cover any advances or deposits the community solar company may collect from project participants or order that the advances or deposits be held in escrow or trust.

(4) The commission may deny registration to any community solar company that:

(a) Does not provide the information required by this section;

(b) Fails to provide a performance bond or other mechanism, if required;

(c) Does not possess adequate financial resources to provide the proposed service; or

(d) Does not possess adequate technical competency to provide the proposed service.

(5) The commission must take action to approve or issue a notice of hearing concerning any application for registration within thirty days after receiving the application. The commission may approve an application with or without a hearing. The commission may deny an application after a hearing.

(6) The commission may charge a community solar company an annual application fee to recover the cost of processing applications for registration under this section.

(7) The commission may adopt rules that describe the manner by which it will register a community solar company, ensure that the terms and conditions of community solar projects or community solar project services comply with the requirements of this act, establish the community solar company's responsibilities for responding to customer complaints and disputes, and adopt annual reporting requirements. In addition to the application fee authorized under subsection (6) of this section, the commission may adopt regulatory fees applicable to community solar companies pursuant to RCW 80.04.080,

80.24.010, and 80.24.020. Such fees may not exceed the cost of ensuring compliance with this chapter.

(8) The commission may suspend or revoke a registration upon complaint by any interested party, or upon the commission's own motion after notice and opportunity for hearing, when it finds that a registered community solar company or its agent has violated this chapter or the rules of the commission, or that the community solar company or its agent has been found by a court or governmental agency to have violated the laws of a state or the United States.

(9) For the purpose of ensuring compliance with this chapter, the commission may issue penalties against community solar companies for violations of this chapter as provided for public service companies pursuant to chapter 80.04 RCW.

(10) Upon request of the commission, a community solar company registered under this section must provide information about its community solar projects or community solar project services.

(11) A violation of this section constitutes an unfair or deceptive act in trade or commerce in violation of chapter 19.86 RCW, the consumer protection act. Acts in violation of this act are not reasonable in relation to the development and preservation of business, and constitute matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW.

(12) For the purposes of RCW 19.86.170, actions or transactions of a community solar company may not be deemed otherwise permitted, prohibited, or regulated by the commission.

<u>NEW SECTION.</u> Sec. 12. (1) Findings. The legislature finds that a convenient, safe, and environmentally sound system for the recycling of photovoltaic modules, minimization of hazardous waste, and recovery of commercially valuable materials must be established. The legislature further finds that the responsibility for this system must be shared among all stakeholders, with manufacturers financing the takeback and recycling system.

(2) **Definitions.** For purposes of this section the following definitions apply:

(a) "Consumer electronic device" means any device containing an electronic circuit board that is intended for everyday use by individuals, such as a watch or calculator.

(b) "Department" means the department of ecology.

(c) "Manufacturer" means any person in business or no longer in business but having a successor in interest who, irrespective of the selling technique used, including by means of distance or remote sale:

(i) Manufactures or has manufactured a photovoltaic module under its own brand names for sale in or into this state;

(ii) Assembles or has assembled a photovoltaic module that uses parts manufactured by others for sale in or into this state under the assembler's brand names;

(iii) Resells or has resold in or into this state under its own brand names a photovoltaic module produced by other suppliers, including retail establishments that sell photovoltaic modules under their own brand names;

(iv) Manufactures or has manufactured a cobranded photovoltaic module product for sale in or into this state that carries the name of both the manufacturer and a retailer; (v) Imports or has imported a photovoltaic module into the United States that is sold in or into this state. However, if the imported photovoltaic module is manufactured by any person with a presence in the United States meeting the criteria of manufacturer under (a) through (d) of this subsection, that person is the manufacturer;

(vi) Sells at retail a photovoltaic module acquired from an importer that is the manufacturer and elects to register as the manufacturer for those products; or

(vii) Elects to assume the responsibility and register in lieu of a manufacturer as defined under (b)(i) through (vi) of this subsection.

(d) "Photovoltaic module" means the smallest nondivisible, environmentally protected assembly of photovoltaic cells or other photovoltaic collector technology and ancillary parts intended to generate electrical power under sunlight, except that "photovoltaic module" does not include a photovoltaic cell that is part of a consumer electronic device for which it provides electricity needed to make the consumer electronic device function. "Photovoltaic module" includes but is not limited to interconnections, terminals, and protective devices such as diodes that:

(i) Are installed on, connected to, or integral with buildings; or

(ii) Are used as components of freestanding, off-grid, power generation systems, such as for powering water pumping stations, electric vehicle charging stations, fencing, street and signage lights, and other commercial or agricultural purposes.

(e) "Rare earth element" means lanthanum, cerium, praseodymium, neodymium, promethium, samarium, europium, gadolinium, terbium, dysprosium, holmium, erbium, thulium, ytterbium, lutetium, yttrium, or scandium.

(f) "Reuse" means any operation by which a photovoltaic module or a component of a photovoltaic module changes ownership and is used for the same purpose for which it was originally purchased.

(g) "Stewardship plan" means the plan developed by a manufacturer or its designated stewardship organization for a self-directed stewardship program.

(h) "Stewardship program" means the activities conducted by a manufacturer or a stewardship organization to fulfill the requirements of this chapter and implement the activities described in its stewardship plan.

(3) **Program guidance, review, and approval.** The department must develop guidance for a photovoltaic module stewardship and takeback program to guide manufacturers in preparing and implementing a self-directed program to ensure the convenient, safe, and environmentally sound takeback and recycling of photovoltaic modules and their components and materials. By January 1, 2018, the department must establish a process to develop guidance for photovoltaic module stewardship plans by working with manufacturers, stewardship organizations, and other stakeholders on the content, review, and approval of stewardship plans. The department's process must be fully implemented and stewardship plan guidance completed by July 1, 2019.

(4) **Stewardship organization as agent of manufacturer.** A stewardship organization may be designated to act as an agent on behalf of a manufacturer or manufacturers in operating and implementing the stewardship program required under this chapter. Any stewardship organization that has obtained such designation must provide to the department a list of the manufacturers and brand

names that the stewardship organization represents within sixty days of its designation by a manufacturer as its agent, or within sixty days of removal of such designation.

(5) **Stewardship plans.** Each manufacturer must prepare and submit a stewardship plan to the department by the later of January 1, 2020, or within thirty days of its first sale of a photovoltaic module in or into the state.

(a) A stewardship plan must, at a minimum:

(i) Describe how manufacturers will finance the takeback and recycling system, and include an adequate funding mechanism to finance the costs of collection, management, and recycling of photovoltaic modules and residuals sold in or into the state by the manufacturer with a mechanism that ensures that photovoltaic modules can be delivered to takeback locations without cost to the last owner or holder;

(ii) Accept all photovoltaic modules sold in or into the state after July 1, 2017;

(iii) Describe how the program will minimize the release of hazardous substances into the environment and maximize the recovery of other components, including rare earth elements and commercially valuable materials;

(iv) Provide for takeback of photovoltaic modules at locations that are within the region of the state in which the photovoltaic modules were used and are as convenient as reasonably practicable, and if no such location within the region of the state exists, include an explanation for the lack of such location;

(v) Identify how relevant stakeholders, including consumers, installers, building demolition firms, and recycling and treatment facilities, will receive information required in order for them to properly dismantle, transport, and treat the end-of-life photovoltaic modules in a manner consistent with the objectives described in (a)(iii) of this subsection;

(vi) Establish performance goals, including a goal for the rate of combined reuse and recycling of collected photovoltaic modules as a percentage of the total weight of photovoltaic modules collected, which rate must be no less than eighty-five percent.

(b) A manufacturer must implement the stewardship plan.

(c) A manufacturer may periodically amend its stewardship plan. The department must approve the amendment if it meets the requirements for plan approval outlined in the department's guidance. When submitting proposed amendments, the manufacturer must include an explanation of why such amendments are necessary.

(6) **Plan approval.** The department must approve a stewardship plan if it determines the plan addresses each element outlined in the department's guidance.

(7) **Annual report.** (a) Beginning April 1, 2022, and by April 1st in each subsequent year, a manufacturer, or its designated stewardship organization, must provide to the department a report for the previous calendar year that documents implementation of the plan and assesses achievement of the performance goals established in subsection (5)(a)(vi) of this section.

(b) The report may include any recommendations to the department or the legislature on modifications to the program that would enhance the effectiveness of the program, including management of program costs and mitigation of environmental impacts of photovoltaic modules.

(c) The manufacturer or stewardship organization must post this report on a publicly accessible web site.

(8) **Enforcement.** Beginning January 1, 2021, no manufacturer may sell or offer for sale a photovoltaic module in or into the state unless the manufacturer has submitted to the department a stewardship plan and received plan approval. The department must send a written warning to a manufacturer that is not participating in a plan. The written warning must inform the manufacturer that it must submit a plan or participate in a plan within thirty days of the notice. The department may assess a penalty of up to ten thousand dollars for each sale of a photovoltaic module in or into the state that occurs after the initial written warning. A manufacturer may appeal a penalty issued under this section to the superior court of Thurston county within one hundred eighty days of receipt of the notice.

(9) Fee. The department may collect a flat fee from participating manufacturers to recover costs associated with the plan guidance, review, and approval process described in subsection (3) of this section. Other administrative costs incurred by the department for program implementation activities, including stewardship plan review and approval, enforcement, and any rule making, may be recovered by charging every manufacturer an annual fee calculated by dividing department administrative costs by the manufacturer's pro rata share of the Washington state photovoltaic module sales in the most recent preceding calendar year, based on best available information. The sole purpose of assessing the fees authorized in this subsection is to predictably and adequately fund the department's costs of administering the photovoltaic module recycling program.

(10) Account. The photovoltaic module recycling account is created in the custody of the state treasurer. All fees collected from manufacturers under this chapter must be deposited in the account. Expenditures from the account may be used only for administering this chapter. Only the director of the department or the director's designee may authorize expenditures from the account. The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. Funds in the account may not be diverted for any purpose or activity other than those specified in this section.

(11) **Rule making.** The department may adopt rules as necessary for the purpose of implementing, administering, and enforcing this chapter.

(12) National program. In lieu of preparing a stewardship plan and as provided by subsection (5) of this section, a manufacturer may participate in a national program for the convenient, safe, and environmentally sound takeback and recycling of photovoltaic modules and their components and materials, if substantially equivalent to the intent of the state program. The department may determine substantial equivalence if it determines that the national program adequately addresses and fulfills each of the elements of a stewardship plan outlined in subsection (5)(a) of this section and includes an enforcement mechanism reasonably calculated to ensure a manufacturer's compliance with the national program. Upon issuing a determination of substantial equivalence, the department must notify affected stakeholders including the manufacturer. If the national program is discontinued or the department determines the national program is no longer substantially equivalent to the state program in Washington, the department must notify the manufacturer and the manufacturer

must provide a stewardship plan as described in subsection (5)(a) of this section to the department for approval within thirty days of notification.

<u>NEW SECTION.</u> Sec. 13. A new section is added to chapter 43.180 RCW to read as follows:

(1) It is the intent of the legislature to investigate methods by which the state may establish or facilitate financing models that allow electric utilities in the state to maximize federal tax incentives and monetize the depreciation of renewable energy systems and other distributed energy assets, with the goal of providing improved access to the benefits of these assets to low and moderate income households as well as broad system benefits to utility ratepayers and state taxpayers.

(2) By December 31, 2017, the commission must prepare and submit to the appropriate committees of the legislature a report that assesses financing tools or models for the aggregation, by public or private entities, of federal tax incentives and other financial benefits accruing from the installation, ownership, and operation of renewable energy systems and other distributed energy resources. The report must:

(a) Assess the legal, financial, and economic feasibility of one or more financing tools or models for the aggregation of federal tax incentives and other financial benefits accruing from the installation, ownership, and operation of renewable energy systems and other distributed energy resources;

(b) Consider the state and federal legal aspects of such a financing tool or model, including considerations of how to structure the role of the state or any subdivision of the state in a manner that is consistent with the Constitution of the state of Washington; and

(c) Describe any legislation that may be necessary to facilitate, implement, or create incentives for the private sector to implement such a financing tool or model within the state.

(3) Beginning July 1, 2018, the commission may implement a financing tool or model for the aggregation, by public or private entities, of federal tax incentives and other financial benefits accruing from the installation, ownership, and operation of renewable energy systems and other distributed energy resources if the commission determines that it is legally, financially, and economically feasible and that it would further the public policy goals set forth in subsection (1) of this section.

Sec. 14. RCW 82.08.962 and 2013 2nd sp.s. c 13 s 1502 are each amended to read as follows:

(1)(a) Except as provided in RCW 82.08.963, purchasers who have paid the tax imposed by RCW 82.08.020 on machinery and equipment used directly in generating electricity using fuel cells, wind, sun, biomass energy, tidal or wave energy, geothermal resources, anaerobic digestion, technology that converts otherwise lost energy from exhaust, or landfill gas as the principal source of power, or to sales of or charges made for labor and services rendered in respect to installing such machinery and equipment, are eligible for an exemption as provided in this section, but only if the purchaser develops with such machinery, equipment, and labor a facility capable of generating not less than one thousand watts of electricity.

(b) Beginning on July 1, 2009, through June 30, 2011, the tax levied by RCW 82.08.020 does not apply to the sale of machinery and equipment described in (a) of this subsection that are used directly in generating electricity or to sales of or charges made for labor and services rendered in respect to installing such machinery and equipment.

(c) Beginning on July 1, 2011, through January 1, 2020, the amount of the exemption under this subsection (1) is equal to seventy-five percent of the state and local sales tax paid. The purchaser is eligible for an exemption under this subsection (1)(c) in the form of a remittance.

(2) For purposes of this section and RCW 82.12.962, the following definitions apply:

(a) "Biomass energy" includes: (i) By-products of pulping and wood manufacturing process; (ii) animal waste; (iii) solid organic fuels from wood; (iv) forest or field residues; (v) wooden demolition or construction debris; (vi) food waste; (vii) liquors derived from algae and other sources; (viii) dedicated energy crops; (ix) biosolids; and (x) yard waste. "Biomass energy" does not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic; wood from old growth forests; or municipal solid waste.

(b) "Fuel cell" means an electrochemical reaction that generates electricity by combining atoms of hydrogen and oxygen in the presence of a catalyst.

(c) "Landfill gas" means biomass fuel, of the type qualified for federal tax credits under Title 26 U.S.C. Sec. 29 of the federal internal revenue code, collected from a "landfill" as defined under RCW 70.95.030.

(d)(i) "Machinery and equipment" means fixtures, devices, and support facilities that are integral and necessary to the generation of electricity using fuel cells, wind, sun, biomass energy, tidal or wave energy, geothermal resources, anaerobic digestion, technology that converts otherwise lost energy from exhaust, or landfill gas as the principal source of power.

(ii) "Machinery and equipment" does not include: (A) Hand-powered tools; (B) property with a useful life of less than one year; (C) repair parts required to restore machinery and equipment to normal working order; (D) replacement parts that do not increase productivity, improve efficiency, or extend the useful life of machinery and equipment; (E) buildings; or (F) building fixtures that are not integral and necessary to the generation of electricity that are permanently affixed to and become a physical part of a building.

(3)(a) Machinery and equipment is "used directly" in generating electricity by wind energy, solar energy, biomass energy, tidal or wave energy, geothermal resources, anaerobic digestion, technology that converts otherwise lost energy from exhaust, or landfill gas power if it provides any part of the process that captures the energy of the wind, sun, biomass energy, tidal or wave energy, geothermal resources, anaerobic digestion, technology that converts otherwise lost energy from exhaust, or landfill gas, converts that energy to electricity, and stores, transforms, or transmits that electricity for entry into or operation in parallel with electric transmission and distribution systems.

(b) Machinery and equipment is "used directly" in generating electricity by fuel cells if it provides any part of the process that captures the energy of the fuel, converts that energy to electricity, and stores, transforms, or transmits that electricity for entry into or operation in parallel with electric transmission and distribution systems.

(4)(a) A purchaser claiming an exemption in the form of a remittance under subsection (1)(c) of this section must pay the tax imposed by RCW 82.08.020 and all applicable local sales taxes imposed under the authority of chapters 82.14 and 81.104 RCW. The purchaser may then apply to the department for remittance in a form and manner prescribed by the department. A purchaser may not apply for a remittance under this section more frequently than once per quarter. The purchaser must specify the amount of exempted tax claimed and the qualifying purchases for which the exemption is claimed. The purchaser must retain, in adequate detail, records to enable the department to determine whether the purchaser is entitled to an exemption under this section, including: Invoices; proof of tax paid; and documents describing the machinery and equipment.

(b) The department must determine eligibility under this section based on the information provided by the purchaser, which is subject to audit verification by the department. The department must on a quarterly basis remit exempted amounts to qualifying purchasers who submitted applications during the previous quarter.

(5) The exemption provided by this section expires September 30, 2017, as it applies to: (a) Machinery and equipment that is used directly in the generation of electricity using solar energy and capable of generating no more than five hundred kilowatts of electricity; or (b) sales of or charges made for labor and services rendered in respect to installing such machinery and equipment.

(6) This section expires January 1, 2020.

Sec. 15. RCW 82.08.963 and 2013 2nd sp.s. c 13 s 1602 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales of machinery and equipment used directly in generating electricity or producing thermal heat using solar energy, or to sales of or charges made for labor and services rendered in respect to installing such machinery and equipment, but only if the purchaser develops with such machinery, equipment, and labor a facility capable of generating not more than ten kilowatts of electricity or producing not more than three million British thermal units per day and provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files. For sellers who electronically file their taxes, the department must provide a separate tax reporting line for exemption amounts claimed by a buyer under this section.

(2) For purposes of this section and RCW 82.12.963:

(a) "Machinery and equipment" means industrial fixtures, devices, and support facilities that are integral and necessary to the generation of electricity or production and use of thermal heat using solar energy;

(b) "Machinery and equipment" does not include: (i) Hand-powered tools; (ii) property with a useful life of less than one year; (iii) repair parts required to restore machinery and equipment to normal working order; (iv) replacement parts that do not increase productivity, improve efficiency, or extend the useful life of machinery and equipment; (v) buildings; or (vi) building fixtures that are not integral and necessary to the generation of electricity that are permanently affixed to and become a physical part of a building; (c) Machinery and equipment is "used directly" in generating electricity with solar energy if it provides any part of the process that captures the energy of the sun, converts that energy to electricity, and stores, transforms, or transmits that electricity for entry into or operation in parallel with electric transmission and distribution systems; and

(d) Machinery and equipment is "used directly" in producing thermal heat with solar energy if it uses a solar collector or a solar hot water system that (i) meets the certification standards for solar collectors and solar hot water systems developed by the solar rating and certification corporation; or (ii) is determined by the Washington State University extension whether a solar collector or solar hot water system is an equivalent collector or system.

(3) The exemption provided by this section for the sales of machinery and equipment that is used directly in the generation of electricity using solar energy, or for sales of or charges made for labor or services rendered in respect to installing such machinery and equipment, expires September 30, 2017.

(4) This section expires June 30, 2018.

Sec. 16. RCW 82.12.962 and 2013 2nd sp.s. c 13 s 1505 are each amended to read as follows:

(1)(a) Except as provided in RCW 82.12.963, consumers who have paid the tax imposed by RCW 82.12.020 on machinery and equipment used directly in generating electricity using fuel cells, wind, sun, biomass energy, tidal or wave energy, geothermal resources, anaerobic digestion, technology that converts otherwise lost energy from exhaust, or landfill gas as the principal source of power, or to sales of or charges made for labor and services rendered in respect to installing such machinery and equipment, are eligible for an exemption as provided in this section, but only if the purchaser develops with such machinery, equipment, and labor a facility capable of generating not less than one thousand watts of electricity.

(b) Beginning on July 1, 2009, through June 30, 2011, the provisions of this chapter do not apply in respect to the use of machinery and equipment described in (a) of this subsection that are used directly in generating electricity or to sales of or charges made for labor and services rendered in respect to installing such machinery and equipment.

(c) Beginning on July 1, 2011, through January 1, 2020, the amount of the exemption under this subsection (1) is equal to seventy-five percent of the state and local sales tax paid. The consumer is eligible for an exemption under this subsection (1)(c) in the form of a remittance.

(2)(a) A person claiming an exemption in the form of a remittance under subsection (1)(c) of this section must pay the tax imposed by RCW 82.12.020 and all applicable local use taxes imposed under the authority of chapters 82.14 and 81.104 RCW. The consumer may then apply to the department for remittance in a form and manner prescribed by the department. A consumer may not apply for a remittance under this section more frequently than once per quarter. The consumer must specify the amount of exempted tax claimed and the qualifying purchases or acquisitions for which the exemption is claimed. The consumer must retain, in adequate detail, records to enable the department to determine whether the consumer is entitled to an exemption under this section, including: Invoices; proof of tax paid; and documents describing the machinery and equipment.

(b) The department must determine eligibility under this section based on the information provided by the consumer, which is subject to audit verification by the department. The department must on a quarterly basis remit exempted amounts to qualifying consumers who submitted applications during the previous quarter.

(3) Purchases exempt under RCW 82.08.962 are also exempt from the tax imposed under RCW 82.12.020.

(4) The definitions in RCW 82.08.962 apply to this section.

(5) The exemption provided in subsection (1) of this section does not apply:

(a) To machinery and equipment used directly in the generation of electricity using solar energy and capable of generating no more than five hundred kilowatts of electricity, or to sales of or charges made for labor and services rendered in respect to installing such machinery and equipment, when first use within this state of such machinery and equipment, or labor and services, occurs after September 30, 2017; and

(b) To any other machinery and equipment described in subsection (1)(a) of this section, or to sales of or charges made for labor and services rendered in respect to installing such machinery or equipment, when first use within this state of such machinery and equipment, or labor and services, occurs after December 31, 2019.

(6) This section expires January 1, 2020.

Sec. 17. RCW 82.12.963 and 2013 2nd sp.s. c 13 s 1603 are each amended to read as follows:

(1) The provisions of this chapter do not apply with respect to machinery and equipment used directly in generating not more than ten kilowatts of electricity or producing not more than three million British thermal units per day using solar energy, or to the use of labor and services rendered in respect to installing such machinery and equipment.

(2) The definitions in RCW 82.08.963 apply to this section.

(3) <u>The exemption provided by this section does not apply:</u>

(a) To the use of machinery and equipment used directly in the generation of electricity using solar energy, or to the use of labor and services rendered in respect to installing such machinery and equipment, when first use within this state of such machinery and equipment, or labor and services, occurs after September 30, 2017; and

(b) To the use of any machinery or equipment used directly in producing thermal heat using solar energy, or to the use of labor and services rendered in respect to installing such machinery or equipment, when first use within this state of such machinery and equipment, or labor and services, occurs after June 30, 2018.

(4) This section expires June 30, 2018.

<u>NEW SECTION.</u> Sec. 18. Section 12 of this act constitutes a new chapter in Title 70 RCW.

<u>NEW SECTION.</u> Sec. 19. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate July 1, 2017. Passed by the House July 1, 2017.

### Approved by the Governor July 7, 2017. Filed in Office of Secretary of State July 7, 2017.

### **CHAPTER 37**

[Substitute Senate Bill 5977]

#### REVENUE--CREDITS, EXEMPTIONS, DEFERRALS--VARIOUS CHANGES

AN ACT Relating to revenue; amending RCW 82.73.020, 82.73.030, 82.04.240, 82.04.240, 82.04.280, 82.04.294, 82.04.294, 82.04.2404, 82.04.2404, 82.08.9651, 82.08.9651, 82.12.9651, 82.08.9651, 82.08.9651, 82.08.965, 82.08.965, 82.12.965, 82.12.965, 84.36.645, 84.36.645, 82.04.448, 82.04.448, 82.04.240, 82.04.240, 82.08.970, 82.08.970, 82.12.970, 82.12.970, 82.04.426, 82.04.426, 82.04.240, 82.04.240, 82.04.240, 82.04.240, 82.04.240, 82.04.240, 82.04.240, 82.04.260, 82.04.260, 82.12.970, 82.12.022, 82.12.022, 82.12.020, 82.85.010, 82.85.020, 82.85.040, 82.32.790, 82.32.790, 82.32.790, 82.32.790, 84.33.140, and 82.29A.130; adding a new section to chapter 82.08 RCW; adding new sections to chapter 82.04 RCW; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.16 RCW; creating new sections; providing effective dates; providing a contingent effective date; providing expiration dates; providing contingent expiration dates; providing an emergency.

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

### Part I

# Modifying the Washington Main Street Program

<u>NEW SECTION.</u> Sec. 101. This section is the tax preference performance statement for the tax preference contained in section 103, chapter . . ., Laws of 2017 3rd sp. sess. (section 103 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 preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to promote contributions to main street programs and to enhance community and economic revitalization and development of main street business districts under categories as indicated in RCW 82.32.808(2) (a) and (f).

(2) It is the legislature's specific public policy objective to support and work in concert with main street programs to accomplish community and economic revitalization of business districts as specified in RCW 43.360.005. It is the legislature's intent to provide tax credits to businesses in main street communities to promote contributions to such programs as provided in RCW 82.73.030, in order to maintain the economic viability of rural downtown areas (main streets), thereby ensuring the growth and retention of businesses in rural communities.

(3) If a review finds that the number of businesses that are a part of main street communities has increased or stayed the same, then the legislature intends to extend the expiration date of the tax preference.

(4) In order to obtain the data necessary to perform the review in subsection (3) of this section, the joint legislative audit and review committee may refer to data collected by the department of archaeology and historic preservation.

Sec. 102. RCW 82.73.020 and 2005 c 514 s 903 are each amended to read as follows:

(1) Application for tax credits under this chapter must be ((made)) submitted to the department before making a contribution to a program or the

main street trust fund. The application ((shall)) <u>must</u> be made to the department in a form and manner prescribed by the department. The application ((shall))<u>must</u> contain information regarding the proposed amount of contribution to a program or the main street trust fund, and other information required by the department to determine eligibility under <u>this</u> chapter ((514, Laws of 2005)). The department ((shall)) <u>must</u> rule on the application within forty-five days. <u>Except</u> <u>as provided in RCW 82.73.030(5)</u>, <u>applications</u> ((shall)) <u>must</u> be approved on a first-come basis.

(2) ((The person must make the contribution described in the approved application by the end of the calendar year in which the application is approved to claim a credit allowed under RCW 82.73.030.

(3))) The department ((shall)) may not accept any applications before ((January 1, 2006)) the second Monday in January of each calendar year.

Sec. 103. RCW 82.73.030 and 2005 c 514 s 904 are each amended to read as follows:

(1) Subject to the limitations in this chapter, a credit is allowed against the tax imposed by chapters 82.04 and 82.16 RCW for approved contributions that are made by a person to a program or the main street trust fund.

(2) The credit allowed under this section is limited to an amount equal to:

(a) Seventy-five percent of the approved contribution made by a person to a program; or

(b) Fifty percent of the approved contribution made by a person to the main street trust fund.

(3) The department may not approve credit with respect to a program in a city or town with a population of one hundred ninety thousand persons or more.

(4) The department ((shall)) <u>must</u> keep a running total of all credits approved under this chapter for each calendar year. The department ((shall)) <u>may</u> not approve any credits under this section that would cause the total amount of approved credits statewide to exceed ((one)) <u>two</u> million five hundred thousand dollars in any calendar year.

(5)(a)(i) The total credits allowed under this chapter for contributions made to each program may not exceed one hundred thousand dollars in a calendar year.

(ii) Between the second Monday in January and March 31st of the same calendar year, the department must evenly allocate the amount of statewide credits allowed under subsection (4) of this section based on the total number of programs and the main street trust fund as of January 1st in the same calendar year. The department may not approve contributions for a program or the main street trust fund that would cause the total amount of approved credits for a program or the main street trust fund to exceed the allocated amount.

(b) The total credits allowed under this chapter for a person may not exceed two hundred fifty thousand dollars in a calendar year.

(6) The credit may be claimed against any tax due under chapters 82.04 and 82.16 RCW only in the calendar year immediately following the calendar year in which the credit was approved by the department and the contribution was made to the program or the main street trust fund. Credits may not be carried over to subsequent years. No refunds may be granted for credits under this chapter.

(7) The total amount of the credit claimed in any calendar year by a person may not exceed the lesser amount of:

(a) The approved credit((,)); or

(b) Seventy-five percent of the amount of the contribution that is made by the person to a program and fifty percent of the amount of the contribution that is made by the person to the main street trust fund, in the prior calendar year.

NEW SECTION. Sec. 104. A new section is added to chapter 82.73 RCW to read as follows:

(1) A person that was approved for credit as provided in RCW 82.73.020 must make the total approved contribution by November 15th of the calendar year in which the application is approved. If November 15th falls upon a Saturday, Sunday, or legal holiday, the payment of the contribution will be considered timely if made on the next business day.

(2)(a) A person that does not make a contribution as required in subsection (1) of this section forfeits all credits for the approved contribution.

(b) The department must make credits forfeited as provided in (a) of this subsection available to new applicants.

(3) A person that was approved for credit as provided in RCW 82.73.020 after November 15th must make the total approved contribution by the end of the calendar year in which the contribution was approved.

# Part II

### Lowering the Ceiling of the Business and Occupation Manufacturing Rate to 0.2904%

*Sec. 201. RCW 82.04.240 and 2004 c 24 s 4 are each amended to read as follows:

Upon every person engaging within this state in business as a manufacturer, except persons taxable as manufacturers under other provisions of this chapter; as to such persons the amount of the tax with respect to such business ((shall be)) is equal to the value of the products, including byproducts, manufactured, multiplied by the rate of ((0.484 percent)):

(a) 0.484 percent through December 31, 2018;

(b) 0.4356 percent from January 1, 2019, through December 31, 2019;

(c) 0.3872 percent from January 1, 2020, through December 31, 2020;

(d) 0.3388 percent from January 1, 2021, through December 31, 2021;

and

(e) 0.2904 from January 1, 2022, and thereafter.

The measure of the tax is the value of the products, including byproducts, so manufactured regardless of the place of sale or the fact that deliveries may be made to points outside the state.

*Sec. 201 was vetoed. See message at end of chapter.

*Sec. 202. RCW 82.04.240 and 2017 c 135 s 9 are each amended to read as follows:

(1) Upon every person engaging within this state in business as a manufacturer, except persons taxable as manufacturers under other provisions of this chapter; as to such persons the amount of the tax with respect to such business is equal to the value of the products, including byproducts, manufactured, multiplied by the rate of ((0.484 percent)):

(a) 0.484 percent through December 31, 2018;

(b) 0.4356 percent from January 1, 2019, through December 31, 2019;

(c) 0.3872 percent from January 1, 2020, through December 31, 2020; (d) 0.3388 percent from January 1, 2021, through December 31, 2021; and

(e) 0.2904 from January 1, 2022, and thereafter.

(2)(a) Upon every person engaging within this state in the business of manufacturing semiconductor materials, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured, or, in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.275 percent. For the purposes of this subsection "semiconductor materials" means silicon crystals, silicon ingots, raw polished semiconductor wafers, compound semiconductors, integrated circuits, and microchips.

(b) A person reporting under the tax rate provided in this subsection (2) must file a complete annual tax performance report with the department under RCW 82.32.534.

(c) This subsection (2) expires twelve years after the effective date of this act.

(3) The measure of the tax is the value of the products, including byproducts, so manufactured regardless of the place of sale or the fact that deliveries may be made to points outside the state.

*Sec. 202 was vetoed. See message at end of chapter.

**Sec. 203.* RCW 82.04.280 and 2017 c 323 s 508 are each amended to read as follows:

(1) Upon every person engaging within this state in the business of: (a) Printing materials other than newspapers, and of publishing periodicals or magazines; (b) building, repairing or improving any street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state or by the United States and which is used or to be used, primarily for foot or vehicular traffic including mass transportation vehicles of any kind and including any readjustment, reconstruction or relocation of the facilities of any public, private or cooperatively owned utility or railroad in the course of such building, repairing or improving, the cost of which readjustment, reconstruction, or relocation, is the responsibility of the public authority whose street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle is being built, repaired or improved; (c) extracting for hire ((or processing for hire)), except persons taxable as extractors for hire ((or processors for hire)) under another section of this chapter; (d) operating a cold storage warehouse or storage warehouse, but not including the rental of cold storage lockers; (e) representing and performing services for fire or casualty insurance companies as an independent resident managing general agent licensed under the provisions of chapter 48.17 RCW; (f) radio and television broadcasting, excluding network, national and regional advertising computed as a standard deduction based on the national average thereof as annually reported by the federal communications commission, or in lieu thereof by itemization by the individual broadcasting station, and excluding that portion of revenue represented by the out-of-state audience computed as a ratio to the station's total audience as measured by the 100 micro-volt signal strength and delivery by wire, if any; (g) engaging in activities which bring a person within the definition of consumer contained in RCW 82.04.190(6); as to such persons, the amount of tax on such business is equal to the gross income of the business multiplied by the rate of 0.484 percent.

(2) Upon every person engaging within this state in the business of processing for hire, except persons taxable as processors for hire under another section of this chapter; as to such persons, the amount of tax on such business is equal to the gross income of the business multiplied by the rate of:

(a) 0.484 percent through December 31, 2018;

(b) 0.4356 percent from January 1, 2019, through December 31, 2019;

(c) 0.3872 percent from January 1, 2020, through December 31, 2020;

(d) 0.3388 percent from January 1, 2021, through December 31, 2021; nd

<u>and</u>

(e) 0.2904 from January 1, 2022, and thereafter.

(3) For the purposes of this section, the following definitions apply unless the context clearly requires otherwise.

(a) "Cold storage warehouse" means a storage warehouse used to store fresh and/or frozen perishable fruits or vegetables, meat, seafood, dairy products, or fowl, or any combination thereof, at a desired temperature to maintain the quality of the product for orderly marketing.

(b) "Storage warehouse" means a building or structure, or any part thereof, in which goods, wares, or merchandise are received for storage for compensation, except field warehouses, fruit warehouses, fruit packing plants, warehouses licensed under chapter 22.09 RCW, public garages storing automobiles, railroad freight sheds, docks and wharves, and "self-storage" or "mini storage" facilities whereby customers have direct access to individual storage areas by separate entrance. "Storage warehouse" does not include a building or structure, or that part of such building or structure, in which an activity taxable under RCW 82.04.272 is conducted.

(c) "Periodical or magazine" means a printed publication, other than a newspaper, issued regularly at stated intervals at least once every three months, including any supplement or special edition of the publication.

*Sec. 203 was vetoed. See message at end of chapter.

**Sec. 204.* RCW 82.32.790 and 2017 c 323 s 509 and 2017 c 135 s 47 are each reenacted and amended to read as follows:

(1)(a) Section 202, chapter . . ., Laws of 2017 3rd sp. sess. (section 202 of this act), sections 9, 13, 17, 22, 24, 30, 32, and 45, chapter 135, Laws of 2017, sections 104, 110, 117, 123, 125, 129, 131, and 150, chapter 114, Laws of 2010, and sections 1, 2, 3, and 5 through 10, chapter 149, Laws of 2003 are contingent upon the siting and commercial operation of a significant semiconductor microchip fabrication facility in the state of Washington.

(b) For the purposes of this section:

(i) "Commercial operation" means the same as "commencement of commercial production" as used in RCW 82.08.965.

(ii) "Semiconductor microchip fabrication" means "manufacturing semiconductor microchips" as defined in RCW 82.04.426.

(iii) "Significant" means the combined investment of new buildings and new machinery and equipment in the buildings, at the commencement of commercial production, will be at least one billion dollars.

(2) The sections referenced in subsection (1) of this section take effect the first day of the month in which a contract for the construction of a significant semiconductor fabrication facility is signed, as determined by the director of the department of revenue.

(3)(a) The department of revenue must provide notice of the effective date of the sections referenced in subsection (1) of this section to affected taxpayers, the legislature, and others as deemed appropriate by the department.

(b) If, after making a determination that a contract has been signed and the sections referenced in subsection (1) of this section are effective, the department discovers that commencement of commercial production did not take place within three years of the date the contract was signed, the department must make a determination that chapter 149, Laws of 2003 is no longer effective, and all taxes that would have been otherwise due are deemed deferred taxes and are immediately assessed and payable from any person reporting tax under RCW 82.04.240(2) or claiming an exemption or credit under RCW 82.04.426, 82.04.448, 82.08.965, 82.12.965, 82.08.970, 82.12.970, or 84.36.645. The department is not authorized to make a second determination regarding the effective date of the sections referenced in subsection (1) of this section.

*Sec. 204 was vetoed. See message at end of chapter.

*<u>NEW SECTION.</u> Sec. 205. Part II of this act is exempt from the automatic expiration date provisions of RCW 82.32.805(1)(a).

*Sec. 205 was vetoed. See message at end of chapter.

### Part III

# Business and Occupation Tax Exemption for Agricultural Fertilizer and Seed

<u>NEW SECTION.</u> Sec. 301. (1) This section is the tax preference performance statement for the tax preferences contained in section 302, chapter. . ., Laws of 2017 3rd sp. sess. (section 302 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to reduce structural inefficiencies, as indicated in RCW 82.32.808(2)(d).

(3) It is the legislature's specific public policy objective to provide tax relief to certain distributors of commercial fertilizer, agricultural crop protection products, and seeds. If a review finds that the number of wholesalers of agricultural crop protection products, seed, and fertilizer qualifying for the exemption has increased or stayed the same, then the legislature intends to extend the expiration date of the tax preferences.

(4) In order to obtain the data necessary to perform the review in subsection (3) of this section, the joint legislative audit and review committee may refer to the department of revenue's data.

<u>NEW SECTION.</u> Sec. 302. A new section is added to chapter 82.04 RCW to read as follows:

(1) This chapter does not apply to wholesale sales of commercial fertilizer, agricultural crop protection products, and seed, by an eligible distributor to an eligible retailer.

(2) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Affiliated persons" means persons who have any ownership interest, whether direct or indirect, in each other, or where any ownership interest, whether direct or indirect, is held in each of the persons by another person or by a group of other persons that are affiliated with respect to each other.

(b) "Agricultural crop protection products" has the same meaning as provided in RCW 82.21.040.

(c) "Commercial fertilizer" has the same meaning as provided in RCW 15.54.270.

(d) "Seed" means seed potatoes and all other "agricultural seed" as defined in RCW 15.49.011 and conditioned for use in planting.

(e) "Eligible distributor" means a wholesaler who purchases commercial fertilizer, agricultural crop protection products, and seed from the manufacturer and resells those products only to eligible retailers who are not affiliated persons and who have an ownership interest in an entity that has at least a fifty percent ownership interest in the wholesaler.

(f) "Eligible retailer" means a person engaged in the business of making retail sales of commercial fertilizer, agricultural crop protection products, and seed, that also holds at least a five percent ownership interest in an entity that holds at least a fifty percent ownership interest in an eligible distributor.

(3) This section is exempt from the provisions of RCW 82.32.805 and 82.32.808.

# Part IV

### **Solar Silicon Manufacturing**

<u>NEW SECTION.</u> Sec. 401. (1) This section is the tax preference performance statement for the tax preferences contained in sections 402 and 403, chapter . . ., Laws of 2017 3rd sp. sess. (sections 402 and 403 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to improve industry competitiveness and to create and retain jobs as indicated in RCW 82.32.808(2) (b) and (c).

(3) It is the legislature's specific public policy objective to maintain and grow jobs in the solar silicon industry. Trade disputes currently threaten employment in this sector. It is the legislature's intent to extend by ten years the preferential tax rates for manufacturers and wholesalers of specific solar energy material and parts in order to maintain and grow jobs in the solar silicon industry.

(4) If a review finds that the number of people employed by the solar silicon industry in Washington is the same or more than in 2015, and that at least sixty percent of employees earn sixty thousand dollars a year or more, then the legislature intends to extend the expiration date of the tax preference.

(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 department of revenue's annual survey data.

Sec. 402. RCW 82.04.294 and 2013 2nd sp.s. c 13 s 902 are each amended to read as follows:

(1) Upon every person engaging within this state in the business of manufacturing solar energy systems using photovoltaic modules or stirling converters, or of manufacturing solar grade silicon, silicon solar wafers, silicon solar cells, thin film solar devices, or compound semiconductor solar wafers to be used exclusively in components of such systems; as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured, or in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.275 percent.

(2) Upon every person engaging within this state in the business of making sales at wholesale of solar energy systems using photovoltaic modules or stirling converters, or of solar grade silicon, silicon solar wafers, silicon solar cells, thin film solar devices, or compound semiconductor solar wafers to be used exclusively in components of such systems, manufactured by that person; as to such persons the amount of tax with respect to such business is equal to the gross proceeds of sales of the solar energy systems using photovoltaic modules or stirling converters, or of the solar grade silicon to be used exclusively in components of such systems, multiplied by the rate of 0.275 percent.

(3) Silicon solar wafers, silicon solar cells, thin film solar devices, solar grade silicon, or compound semiconductor solar wafers are "semiconductor materials" for the purposes of RCW 82.08.9651 and 82.12.9651.

(4) The definitions in this subsection apply throughout this section.

(a) "Compound semiconductor solar wafers" means a semiconductor solar wafer composed of elements from two or more different groups of the periodic table.

(b) "Module" means the smallest nondivisible self-contained physical structure housing interconnected photovoltaic cells and providing a single direct current electrical output.

(c) "Photovoltaic cell" means a device that converts light directly into electricity without moving parts.

(d) "Silicon solar cells" means a photovoltaic cell manufactured from a silicon solar wafer.

(e) "Silicon solar wafers" means a silicon wafer manufactured for solar conversion purposes.

(f) "Solar energy system" means any device or combination of devices or elements that rely upon direct sunlight as an energy source for use in the generation of electricity.

(g) "Solar grade silicon" means high-purity silicon used exclusively in components of solar energy systems using photovoltaic modules to capture direct sunlight. "Solar grade silicon" does not include silicon used in semiconductors.

(h) "Stirling converter" means a device that produces electricity by converting heat from a solar source utilizing a stirling engine.

(5) A person reporting under the tax rate provided in this section must file a complete annual survey with the department under RCW 82.32.585.

(6) This section expires ((June 30, 2017)) July 1, 2027.

**Sec. 403.** RCW 82.04.294 and 2017 c ... s 402 (section 402 of this act) are each amended to read as follows:

(1) Upon every person engaging within this state in the business of manufacturing solar energy systems using photovoltaic modules or stirling converters, or of manufacturing solar grade silicon, silicon solar wafers, silicon solar cells, thin film solar devices, or compound semiconductor solar wafers to be used exclusively in components of such systems; as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured, or in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.275 percent.

(2) Upon every person engaging within this state in the business of making sales at wholesale of solar energy systems using photovoltaic modules or stirling converters, or of solar grade silicon, silicon solar wafers, silicon solar cells, thin film solar devices, or compound semiconductor solar wafers to be used exclusively in components of such systems, manufactured by that person; as to such persons the amount of tax with respect to such business is equal to the gross proceeds of sales of the solar energy systems using photovoltaic modules or stirling converters, or of the solar grade silicon to be used exclusively in components of such systems, multiplied by the rate of 0.275 percent.

(3) Silicon solar wafers, silicon solar cells, thin film solar devices, solar grade silicon, or compound semiconductor solar wafers are "semiconductor materials" for the purposes of RCW 82.08.9651 and 82.12.9651.

(4) The definitions in this subsection apply throughout this section.

(a) "Compound semiconductor solar wafers" means a semiconductor solar wafer composed of elements from two or more different groups of the periodic table.

(b) "Module" means the smallest nondivisible self-contained physical structure housing interconnected photovoltaic cells and providing a single direct current electrical output.

(c) "Photovoltaic cell" means a device that converts light directly into electricity without moving parts.

(d) "Silicon solar cells" means a photovoltaic cell manufactured from a silicon solar wafer.

(e) "Silicon solar wafers" means a silicon wafer manufactured for solar conversion purposes.

(f) "Solar energy system" means any device or combination of devices or elements that rely upon direct sunlight as an energy source for use in the generation of electricity.

(g) "Solar grade silicon" means high-purity silicon used exclusively in components of solar energy systems using photovoltaic modules to capture direct sunlight. "Solar grade silicon" does not include silicon used in semiconductors.

(h) "Stirling converter" means a device that produces electricity by converting heat from a solar source utilizing a stirling engine.

(i) "Thin film solar devices" means a nonparticipating substrate on which various semiconducting materials are deposited to produce a photovoltaic cell that is used to generate electricity.

(5) A person reporting under the tax rate provided in this section must file a complete annual ((survey)) tax performance report with the department under RCW ((82.32.585)) 82.32.534.

(6) This section expires July 1, 2027.

### Part V

# Semiconductor Materials Manufacturing

<u>NEW SECTION.</u> Sec. 501. (1) This section is the tax preference performance statement for the tax preferences contained in sections 502 and 503, chapter  $\ldots$ , Laws of 2017 3rd sp. sess. (sections 502 and 503 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to induce certain designated behavior by taxpayers, improve industry competitiveness, and create or retain jobs, as indicated in RCW 82.32.808(2) (a) through (c).

(3) It is the legislature's specific public policy objective to maintain and expand business in the semiconductor cluster. It is the legislature's intent to extend by ten years the preferential tax rates for manufacturers and processors for hire of semiconductor materials in order to maintain and grow jobs in the semiconductor cluster.

(4) If a review finds that: (a) Since the effective date of this section at least one project in the semiconductor cluster has located in Clark county, and that this project generates at least two thousand five hundred high-wage jobs, all of which pay twenty dollars per hour or more and at least eighty percent of which pay thirty-five dollars per hour or more; and (b) the number of jobs in the semiconductor cluster in Washington has increased since the effective date of this section, then the legislature intends to extend the expiration date of the tax preference.

(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 department of revenue's annual survey data.

Sec. 502. RCW 82.04.2404 and 2010 c 114 s 105 are each amended to read as follows:

(1) Upon every person engaging within this state in the business of manufacturing or processing for hire semiconductor materials, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured, or, in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.275 percent.

(2) For the purposes of this section "semiconductor materials" means silicon crystals, silicon ingots, raw polished semiconductor wafers, and compound semiconductor wafers.

(3) A person reporting under the tax rate provided in this section must file a complete annual report with the department under RCW 82.32.534.

(4) <u>Any person who has claimed the preferential tax rate under this section</u> <u>must reimburse the department for fifty percent of the amount of the tax</u> <u>preference under this section, if:</u>

(a) The number of persons employed by the person claiming the tax preference is less than ninety percent of the person's three-year employment average for the three years immediately preceding the year in which the preferential tax rate is claimed; or

(b) The person is subject to a review under section 501(4)(a) of this act and such person does not meet performance criteria in section 501(4)(a) of this act.

(5) This section expires December 1, ((2018)) 2028.

Sec. 503. RCW 82.04.2404 and 2017 c 135 s 10 are each amended to read as follows:

(1) Upon every person engaging within this state in the business of manufacturing or processing for hire semiconductor materials, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured, or, in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.275 percent.

(2) For the purposes of this section "semiconductor materials" means silicon crystals, silicon ingots, raw polished semiconductor wafers, and compound semiconductor wafers.

(3) A person reporting under the tax rate provided in this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(4) <u>Any person who has claimed the preferential tax rate under this section</u> <u>must reimburse the department for fifty percent of the amount of the tax</u> <u>preference under this section, if:</u>

(a) The number of persons employed by the person claiming the tax preference is less than ninety percent of the person's three-year employment average for the three years immediately preceding the year in which the preferential tax rate is claimed; or

(b) The person is subject to a review under section 501(4)(a) of this act and such person does not meet performance criteria in section 501(4)(a) of this act.

(5) This section expires December 1, ((2018)) 2028.

<u>NEW SECTION.</u> Sec. 504. (1) This section is the tax preference performance statement for the tax preferences contained in sections 505 through 508 of this act. This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to induce certain designated behavior by taxpayers, improve industry competitiveness, and create or retain jobs, as indicated in RCW 82.32.808(2) (a) through (c).

(3) It is the legislature's specific public policy objective to encourage significant construction projects; retain, expand, and attract semiconductor

business; and encourage and expand family-wage jobs. It is the legislature's intent to extend by ten years the preferential tax rates for sales and use of gases and chemicals used in the production of semiconductor materials, in order to encourage the growth and retention of the semiconductor business in Washington, thereby strengthening Washington's competitiveness with other states for manufacturing investment.

(4) If a review finds that the number of construction projects in the industry has increased, and that number of people employed by the solar silicon, silicon manufacturing, and semiconductor fabrication industry in Washington is the same or more than in 2015, and that at least sixty percent of employees earn sixty thousand dollars a year, then the legislature intends to extend the expiration date of the tax preferences.

(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 department of revenue's annual survey data.

Sec. 505. RCW 82.08.9651 and 2014 c 97 s 405 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales of gases and chemicals used by a manufacturer or processor for hire in the production of semiconductor materials. This exemption is limited to gases and chemicals used in the production process to grow the product, deposit or grow permanent or sacrificial layers on the product, to etch or remove material from the product, to anneal the product, to immerse the product, to clean the product, and other such uses whereby the gases and chemicals come into direct contact with the product during the production process, or uses of gases and chemicals to clean the chambers and other like equipment in which such processing takes place. For the purposes of this section, "semiconductor materials" has the meaning provided in RCW 82.04.2404 and 82.04.294(3).

(2)(a) Except as provided under (b) of this subsection (2), a person claiming the exemption under this section must file a complete annual survey with the department under RCW 82.32.585.

(b) A person claiming the exemption under this section and who is required to file a complete annual report with the department under RCW 82.32.534 as a result of claiming the tax preference provided by RCW 82.04.2404 is not also required to file a complete annual survey under RCW 82.32.585.

(3) No application is necessary for the tax exemption. The person is subject to all of the requirements of chapter 82.32 RCW.

(4) <u>Any person who has claimed the preferential tax rate under this section</u> <u>must reimburse the department for fifty percent of the amount of the tax</u> <u>preference under this section, if:</u>

(a) The number of persons employed by the person claiming the tax preference is less than ninety percent of the person's three-year employment average for the three years immediately preceding the year in which the preferential tax rate is claimed; or

(b) The person is subject to a review under section 501(4)(a) of this act and such person does not meet performance criteria in section 501(4)(a) of this act.

(5) This section expires December 1, ((2018)) 2028.

Sec. 506. RCW 82.08.9651 and 2017 c 135 s 23 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales of gases and chemicals used by a manufacturer or processor for hire in the production of semiconductor materials. This exemption is limited to gases and chemicals used in the production process to grow the product, deposit or grow permanent or sacrificial layers on the product, to etch or remove material from the product, to anneal the product, to immerse the product, to clean the product, and other such uses whereby the gases and chemicals come into direct contact with the product during the production process, or uses of gases and chemicals to clean the chambers and other like equipment in which such processing takes place. For the purposes of this section, "semiconductor materials" has the meaning provided in RCW 82.04.2404 and 82.04.294(3).

(2) A person claiming the exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(3) No application is necessary for the tax exemption. The person is subject to all of the requirements of chapter 82.32 RCW.

(4) Any person who has claimed the preferential tax rate under this section must reimburse the department for fifty percent of the amount of the tax preference under this section, if:

(a) The number of persons employed by the person claiming the tax preference is less than ninety percent of the person's three-year employment average for the three years immediately preceding the year in which the preferential tax rate is claimed; or

(b) The person is subject to a review under section 501(4)(a) of this act and such person does not meet performance criteria in section 501(4)(a) of this act.

(5) This section expires December 1, ((2018)) 2028.

Sec. 507. RCW 82.12.9651 and 2014 c 97 s 406 are each amended to read as follows:

(1) The provisions of this chapter do not apply with respect to the use of gases and chemicals used by a manufacturer or processor for hire in the production of semiconductor materials. This exemption is limited to gases and chemicals used in the production process to grow the product, deposit or grow permanent or sacrificial layers on the product, to etch or remove material from the product, to anneal the product, to immerse the product, to clean the product, and other such uses whereby the gases and chemicals come into direct contact with the product during the production process, or uses of gases and chemicals to clean the chambers and other like equipment in which such processing takes place. For purposes of this section, "semiconductor materials" has the meaning provided in RCW 82.04.2404 and 82.04.294(3).

(2)(a) Except as provided under (b) of this subsection (2), a person claiming the exemption under this section must file a complete annual survey with the department under RCW 82.32.585.

(b) A person claiming the exemption under this section and who is required to file a complete annual report with the department under RCW 82.32.534 as a result of claiming the tax preference provided by RCW 82.04.2404 is not also required to file a complete annual survey under RCW 82.32.585.

(3) No application is necessary for the tax exemption. The person is subject to all of the requirements of chapter 82.32 RCW.

(4) Any person who has claimed the preferential tax rate under this section must reimburse the department for fifty percent of the amount of the tax preference under this section, if:

(a) The number of persons employed by the person claiming the tax preference is less than ninety percent of the person's three-year employment average for the three years immediately preceding the year in which the preferential tax rate is claimed; or

(b) The person is subject to a review under section 501(4)(a) of this act and such person does not meet performance criteria in section 501(4)(a) of this act.

(5) This section expires December 1, ((2018)) 2028.

Sec. 508. RCW 82.12.9651 and 2017 c 135 s 31 are each amended to read as follows:

(1) The provisions of this chapter do not apply with respect to the use of gases and chemicals used by a manufacturer or processor for hire in the production of semiconductor materials. This exemption is limited to gases and chemicals used in the production process to grow the product, deposit or grow permanent or sacrificial layers on the product, to etch or remove material from the product, to anneal the product, to immerse the product, to clean the product, and other such uses whereby the gases and chemicals come into direct contact with the product during the production process, or uses of gases and chemicals to clean the chambers and other like equipment in which such processing takes place. For purposes of this section, "semiconductor materials" has the meaning provided in RCW 82.04.2404 and 82.04.294(3).

(2) A person claiming the exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(3) No application is necessary for the tax exemption. The person is subject to all of the requirements of chapter 82.32 RCW.

(4) Any person who has claimed the preferential tax rate under this section must reimburse the department for fifty percent of the amount of the tax preference under this section, if:

(a) The number of persons employed by the person claiming the tax preference is less than ninety percent of the person's three-year employment average for the three years immediately preceding the year in which the preferential tax rate is claimed; or

(b) The person is subject to a review under section 501(4)(a) of this act and such person does not meet performance criteria in section 501(4)(a) of this act.

(5) This section expires December 1, ((2018)) 2028.

Sec. 509. RCW 82.08.965 and 2010 c 114 s 123 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to charges made for labor and services rendered in respect to the constructing of new buildings used for the manufacturing of semiconductor materials, to sales of tangible personal property that will be incorporated as an ingredient or component of such buildings during the course of the constructing, or to labor and services rendered in respect to installing, during the course of constructing, building fixtures not otherwise eligible for the exemption under RCW 82.08.02565(2)(b). The exemption is available only when the buyer provides the seller with an

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exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(2) To be eligible under this section the manufacturer or processor for hire must meet the following requirements for an eight-year period, such period beginning the day the new building commences commercial production, or a portion of tax otherwise due will be immediately due and payable pursuant to subsection (3) of this section:

(a) The manufacturer or processor for hire must maintain at least seventyfive percent of full employment at the new building for which the exemption under this section is claimed.

(b) Before commencing commercial production at a new facility the manufacturer or processor for hire must meet with the department to review projected employment levels in the new buildings. The department, using information provided by the taxpayer, must make a determination of the number of positions that would be filled at full employment. This number must be used throughout the eight-year period to determine whether any tax is to be repaid. This information is not subject to the confidentiality provisions of RCW 82.32.330 and may be disclosed to the public upon request.

(c) In those situations where a production building in existence on the effective date of this section will be phased out of operation during which time employment at the new building at the same site is increased, the manufacturer or processor for hire must maintain seventy-five percent of full employment at the manufacturing site overall.

(d) No application is necessary for the tax exemption. The person is subject to all the requirements of chapter 82.32 RCW. A person claiming the exemption under this section must file a complete annual report with the department under RCW 82.32.534.

(3) If the employment requirement is not met for any one calendar year, one-eighth of the exempt sales and use taxes will be due and payable by April 1st of the following year. The department must assess interest to the date the tax was imposed, but not penalties, on the taxes for which the person is not eligible.

(4) The exemption applies to new buildings, or parts of buildings, that are used exclusively in the manufacturing of semiconductor materials, including the storage of raw materials and finished product.

(5) For the purposes of this section:

(a) "Commencement of commercial production" is deemed to have occurred when the equipment and process qualifications in the new building are completed and production for sale has begun((; and)).

(b) "Full employment" is the number of positions required for full capacity production at the new building, for positions such as line workers, engineers, and technicians.

(c) "Semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(6) No exemption may be taken after ((twelve years after)) the ((effective)) expiration date of this ((act)) section, however all of the eligibility criteria and limitations are applicable to any exemptions claimed before that date.

(7) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 510. RCW 82.08.965 and 2017 c 135 s 22 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to charges made for labor and services rendered in respect to the constructing of new buildings used for the manufacturing of semiconductor materials, to sales of tangible personal property that will be incorporated as an ingredient or component of such buildings during the course of the constructing, or to labor and services rendered in respect to installing, during the course of constructing, building fixtures not otherwise eligible for the exemption under RCW 82.08.02565(2)(b). The exemption is available only when the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(2) To be eligible under this section the manufacturer or processor for hire must meet the following requirements for an eight-year period, such period beginning the day the new building commences commercial production, or a portion of tax otherwise due will be immediately due and payable pursuant to subsection (3) of this section:

(a) The manufacturer or processor for hire must maintain at least seventyfive percent of full employment at the new building for which the exemption under this section is claimed.

(b) Before commencing commercial production at a new facility the manufacturer or processor for hire must meet with the department to review projected employment levels in the new buildings. The department, using information provided by the taxpayer, must make a determination of the number of positions that would be filled at full employment. This number must be used throughout the eight-year period to determine whether any tax is to be repaid. This information is not subject to the confidentiality provisions of RCW 82.32.330 and may be disclosed to the public upon request.

(c) In those situations where a production building in existence on the effective date of this section will be phased out of operation during which time employment at the new building at the same site is increased, the manufacturer or processor for hire must maintain seventy-five percent of full employment at the manufacturing site overall.

(d) No application is necessary for the tax exemption. The person is subject to all the requirements of chapter 82.32 RCW. A person claiming the exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(3) If the employment requirement is not met for any one calendar year, one-eighth of the exempt sales and use taxes will be due and payable by April 1st of the following year. The department must assess interest to the date the tax was imposed, but not penalties, on the taxes for which the person is not eligible.

(4) The exemption applies to new buildings, or parts of buildings, that are used exclusively in the manufacturing of semiconductor materials, including the storage of raw materials and finished product.

(5) For the purposes of this section:

(a) "Commencement of commercial production" is deemed to have occurred when the equipment and process qualifications in the new building are completed and production for sale has begun((; and)).

(b) "Full employment" is the number of positions required for full capacity production at the new building, for positions such as line workers, engineers, and technicians.

(c) "Semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(6) No exemption may be taken after ((twelve years after)) the ((effective)) expiration date of this ((act)) section, however all of the eligibility criteria and limitations are applicable to any exemptions claimed before that date.

(7) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 511. RCW 82.12.965 and 2010 c 114 s 129 are each amended to read as follows:

(1) The provisions of this chapter do not apply with respect to the use of tangible personal property that will be incorporated as an ingredient or component of new buildings used for the manufacturing of semiconductor materials during the course of constructing such buildings or to labor and services rendered in respect to installing, during the course of constructing, building fixtures not otherwise eligible for the exemption under RCW 82.08.02565(2)(b).

(2) The eligibility requirements, conditions, and definitions in RCW 82.08.965 apply to this section, including the filing of a complete annual report with the department under RCW 82.32.534.

(3) No exemption may be taken ((twelve years)) after the ((effective)) expiration date of this ((aet)) section, however all of the eligibility criteria and limitations are applicable to any exemptions claimed before that date.

(4) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

**Sec. 512.** RCW 82.12.965 and 2017 c 135 s 30 are each amended to read as follows:

(1) The provisions of this chapter do not apply with respect to the use of tangible personal property that will be incorporated as an ingredient or component of new buildings used for the manufacturing of semiconductor materials during the course of constructing such buildings or to labor and services rendered in respect to installing, during the course of constructing, building fixtures not otherwise eligible for the exemption under RCW 82.08.02565(2)(b).

(2) The eligibility requirements, conditions, and definitions in RCW 82.08.965 apply to this section, including the filing of a complete annual tax performance report with the department under RCW 82.32.534.

(3) No exemption may be taken ((twelve years)) after the ((effective)) expiration date of this ((aet)) section, however all of the eligibility criteria and limitations are applicable to any exemptions claimed before that date.

(4) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 513. RCW 84.36.645 and 2010 c 114 s 150 are each amended to read as follows:

(1) Machinery and equipment exempt under RCW 82.08.02565 or 82.12.02565 used in manufacturing semiconductor materials at a building

exempt from sales and use tax and in compliance with the employment requirement under RCW 82.08.965 and 82.12.965 are exempt from property taxation. "Semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(2) A person seeking this exemption must make application to the county assessor, on forms prescribed by the department.

(3) A person claiming an exemption under this section must file a complete annual report with the department under RCW 82.32.534.

(4) This section is effective for taxes levied for collection one year after the effective date of ((this act)) section 150, chapter 114, Laws of 2010 and thereafter.

(5) This section expires ((December 31st of the year occurring twelve years after the effective date of this act, for taxes levied for collection in the following year)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

**Sec. 514.** RCW 84.36.645 and 2017 c 135 s 45 are each amended to read as follows:

(1) Machinery and equipment exempt under RCW 82.08.02565 or 82.12.02565 used in manufacturing semiconductor materials at a building exempt from sales and use tax and in compliance with the employment requirement under RCW 82.08.965 and 82.12.965 are exempt from property taxation. "Semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(2) A person seeking this exemption must make application to the county assessor, on forms prescribed by the department.

(3) A person claiming an exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(4) This section is effective for taxes levied for collection one year after the effective date of ((this aet)) section 150, chapter 114, Laws of 2010 and thereafter.

(5) This section expires ((December 31st of the year occurring twelve years after the effective date of this act, for taxes levied for collection in the following year)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 515. RCW 82.04.448 and 2010 c 114 s 117 are each amended to read as follows:

(1) Subject to the limits and provisions of this section, a credit is authorized against the tax otherwise due under RCW 82.04.240(2) for persons engaged in the business of manufacturing semiconductor materials. For the purposes of this section "semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(2)(a) The credit under this section equals three thousand dollars for each employment position used in manufacturing production that takes place in a new building exempt from sales and use tax under RCW 82.08.965 and 82.12.965. A credit is earned for the calendar year a person fills a position. Additionally a credit is earned for each year the position is maintained over the subsequent consecutive years, up to eight years. Those positions that are not filled for the entire year are eligible for fifty percent of the credit if filled less than six months, and the entire credit if filled more than six months.

(b) To qualify for the credit, the manufacturing activity of the person must be conducted at a new building that qualifies for the exemption from sales and use tax under RCW 82.08.965 and 82.12.965.

(c) In those situations where a production building in existence on the effective date of this section will be phased out of operation, during which time employment at the new building at the same site is increased, the person is eligible for credit for employment at the existing building and new building, with the limitation that the combined eligible employment not exceed full employment at the new building. "Full employment" has the same meaning as in RCW 82.08.965. The credit may not be earned until the commencement of commercial production, as that term is used in RCW 82.08.965.

(3) No application is necessary for the tax credit. The person is subject to all of the requirements of chapter 82.32 RCW. In no case may a credit earned during one calendar year be carried over to be credited against taxes incurred in a subsequent calendar year. No refunds may be granted for credits under this section.

(4) If at any time the department finds that a person is not eligible for tax credit under this section, the amount of taxes for which a credit has been claimed is immediately due. The department must assess interest, but not penalties, on the taxes 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 a credit has been used are repaid.

(5) A person claiming the credit under this section must file a complete annual report with the department under RCW 82.32.534.

(6) Credits may be claimed after ((twelve years after the effective)) the expiration date of this ((aet)) section, for those buildings at which commercial production began before ((twelve years after the effective date of this aet)) the expiration date of this section, subject to all of the eligibility criteria and limitations of this section.

(7) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 516. RCW 82.04.448 and 2017 c 135 s 17 are each amended to read as follows:

(1) Subject to the limits and provisions of this section, a credit is authorized against the tax otherwise due under RCW 82.04.240(2) for persons engaged in the business of manufacturing semiconductor materials. For the purposes of this section "semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(2)(a) The credit under this section equals three thousand dollars for each employment position used in manufacturing production that takes place in a new building exempt from sales and use tax under RCW 82.08.965 and 82.12.965. A credit is earned for the calendar year a person fills a position. Additionally a credit is earned for each year the position is maintained over the subsequent consecutive years, up to eight years. Those positions that are not filled for the entire year are eligible for fifty percent of the credit if filled less than six months, and the entire credit if filled more than six months.

(b) To qualify for the credit, the manufacturing activity of the person must be conducted at a new building that qualifies for the exemption from sales and use tax under RCW 82.08.965 and 82.12.965.

(c) In those situations where a production building in existence on the effective date of this section will be phased out of operation, during which time employment at the new building at the same site is increased, the person is eligible for credit for employment at the existing building and new building, with the limitation that the combined eligible employment not exceed full employment at the new building. "Full employment" has the same meaning as in RCW 82.08.965. The credit may not be earned until the commencement of commercial production, as that term is used in RCW 82.08.965.

(3) No application is necessary for the tax credit. The person is subject to all of the requirements of chapter 82.32 RCW. In no case may a credit earned during one calendar year be carried over to be credited against taxes incurred in a subsequent calendar year. No refunds may be granted for credits under this section.

(4) If at any time the department finds that a person is not eligible for tax credit under this section, the amount of taxes for which a credit has been claimed is immediately due. The department must assess interest, but not penalties, on the taxes 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 a credit has been used are repaid.

(5) A person claiming the credit under this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(6) Credits may be claimed after ((twelve years after the effective)) the expiration date of this ((aet)) section, for those buildings at which commercial production began before ((twelve years after the effective date of this aet)) the expiration date of this section, subject to all of the eligibility criteria and limitations of this section.

(7) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 517. RCW 82.04.240 and 2010 c 114 s 104 are each amended to read as follows:

(1) Upon every person engaging within this state in business as a manufacturer, except persons taxable as manufacturers under other provisions of this chapter; as to such persons the amount of the tax with respect to such business is equal to the value of the products, including byproducts, manufactured, multiplied by the rate of 0.484 percent.

(2)(a) Upon every person engaging within this state in the business of manufacturing semiconductor materials, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured, or, in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.275 percent. For the purposes of this subsection "semiconductor materials" means silicon crystals, silicon ingots, raw polished semiconductor wafers, compound semiconductors, integrated circuits, and microchips.

(b) A person reporting under the tax rate provided in this subsection (2) must file a complete annual report with the department under RCW 82.32.534.

(((c) This subsection (2) expires twelve years after the effective date of this act.))

(3) The measure of the tax is the value of the products, including byproducts, so manufactured regardless of the place of sale or the fact that deliveries may be made to points outside the state.

(4) This section expires January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 518. RCW 82.04.240 and 2017 c 135 s 9 are each amended to read as follows:

(1) Upon every person engaging within this state in business as a manufacturer, except persons taxable as manufacturers under other provisions of this chapter; as to such persons the amount of the tax with respect to such business is equal to the value of the products, including byproducts, manufactured, multiplied by the rate of 0.484 percent.

(2)(a) Upon every person engaging within this state in the business of manufacturing semiconductor materials, as to such persons the amount of tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured, or, in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.275 percent. For the purposes of this subsection "semiconductor materials" means silicon crystals, silicon ingots, raw polished semiconductor wafers, compound semiconductors, integrated circuits, and microchips.

(b) A person reporting under the tax rate provided in this subsection (2) must file a complete annual tax performance report with the department under RCW 82.32.534.

((<del>(c)</del> This subsection (2) expires twelve years after the effective date of this act.))

(3) The measure of the tax is the value of the products, including byproducts, so manufactured regardless of the place of sale or the fact that deliveries may be made to points outside the state.

(4) This section expires January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 519. RCW 82.08.970 and 2010 c 114 s 125 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales of gases and chemicals used by a manufacturer or processor for hire in the manufacturing of semiconductor materials. This exemption is limited to gases and chemicals used in the manufacturing process to grow the product, deposit or grow permanent or sacrificial layers on the product, to etch or remove material from the product, to anneal the product, to immerse the product, to clean the product, and other such uses whereby the gases and chemicals come into direct contact with the product during the manufacturing process, or uses of gases and chemicals to clean the chambers and other like equipment in which such processing takes place. For the purposes of this section, "semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(2) A person claiming the exemption under this section must file a complete annual report with the department under RCW 82.32.534. No application is

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necessary for the tax exemption. The person is subject to all of the requirements of chapter 82.32 RCW.

(3) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 520. RCW 82.08.970 and 2017 c 135 s 24 are each amended to read as follows:

(1) The tax levied by RCW 82.08.020 does not apply to sales of gases and chemicals used by a manufacturer or processor for hire in the manufacturing of semiconductor materials. This exemption is limited to gases and chemicals used in the manufacturing process to grow the product, deposit or grow permanent or sacrificial layers on the product, to etch or remove material from the product, to anneal the product, to immerse the product, to clean the product, and other such uses whereby the gases and chemicals come into direct contact with the product during the manufacturing process, or uses of gases and chemicals to clean the chambers and other like equipment in which such processing takes place. For the purposes of this section, "semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(2) A person claiming the exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534. No application is necessary for the tax exemption. The person is subject to all of the requirements of chapter 82.32 RCW.

(3) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 521. RCW 82.12.970 and 2010 c 114 s 131 are each amended to read as follows:

(1) The provisions of this chapter do not apply with respect to the use of gases and chemicals used by a manufacturer or processor for hire in the manufacturing of semiconductor materials. This exemption is limited to gases and chemicals used in the manufacturing process to grow the product, deposit or grow permanent or sacrificial layers on the product, to etch or remove material from the product, to anneal the product, to immerse the product, to clean the product, and other such uses whereby the gases and chemicals come into direct contact with the product during the manufacturing process, or uses of gases and chemicals to clean the chambers and other like equipment in which such processing takes place. For purposes of this section, "semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(2) A person claiming the exemption under this section must file a complete annual report with the department under RCW 82.32.534. No application is necessary for the tax exemption. The person is subject to all of the requirements of chapter 82.32 RCW.

(3) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

**Sec. 522.** RCW 82.12.970 and 2017 c 135 s 32 are each amended to read as follows:

(1) The provisions of this chapter do not apply with respect to the use of gases and chemicals used by a manufacturer or processor for hire in the manufacturing of semiconductor materials. This exemption is limited to gases and chemicals used in the manufacturing process to grow the product, deposit or

grow permanent or sacrificial layers on the product, to etch or remove material from the product, to anneal the product, to immerse the product, to clean the product, and other such uses whereby the gases and chemicals come into direct contact with the product during the manufacturing process, or uses of gases and chemicals to clean the chambers and other like equipment in which such processing takes place. For purposes of this section, "semiconductor materials" has the same meaning as provided in RCW 82.04.240(2).

(2) A person claiming the exemption under this section must file a complete annual tax performance report with the department under RCW 82.32.534. No application is necessary for the tax exemption. The person is subject to all of the requirements of chapter 82.32 RCW.

(3) This section expires ((twelve years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 523. RCW 82.04.426 and 2010 c 114 s 110 are each amended to read as follows:

(1) The tax imposed by RCW 82.04.240(2) does not apply to any person in respect to the manufacturing of semiconductor microchips.

(2) For the purposes of this section:

(a) "Manufacturing semiconductor microchips" means taking raw polished semiconductor wafers and embedding integrated circuits on the wafers using processes such as masking, etching, and diffusion; and

(b) "Integrated circuit" means a set of microminiaturized, electronic circuits.

(3) A person reporting under the tax rate provided in this section must file a complete annual report with the department under RCW 82.32.534.

(4) This section expires ((nine years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

**Sec. 524.** RCW 82.04.426 and 2017 c 135 s 13 are each amended to read as follows:

(1) The tax imposed by RCW 82.04.240(2) does not apply to any person in respect to the manufacturing of semiconductor microchips.

(2) For the purposes of this section:

(a) "Manufacturing semiconductor microchips" means taking raw polished semiconductor wafers and embedding integrated circuits on the wafers using processes such as masking, etching, and diffusion; and

(b) "Integrated circuit" means a set of microminiaturized, electronic circuits.

(3) A person reporting under the tax rate provided in this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(4) This section expires ((nine years after the effective date of this act)) January 1, 2024, unless the contingency in RCW 82.32.790(2) occurs.

Sec. 525. RCW 82.32.790 and 2017 c 323 s 509 are each amended to read as follows:

(1)(a) Sections 509, 511, 513, 515, 517, 519, 521, and 523, chapter . . . , Laws of 2017 3rd sp. sess. (sections 509, 511, 513, 515, 517, 519, 521, and 523 of this act), sections 104, 110, 117, 123, 125, 129, 131, and 150, chapter 114, Laws of 2010, and sections 1, 2, 3, and 5 through 10, chapter 149, Laws of 2003 are contingent upon the siting and commercial operation of a significant semiconductor microchip fabrication facility in the state of Washington by January 1, 2024.

(b) For the purposes of this section:

(i) "Commercial operation" means the same as "commencement of commercial production" as used in RCW 82.08.965.

(ii) "Semiconductor microchip fabrication" means "manufacturing semiconductor microchips" as defined in RCW 82.04.426.

(iii) "Significant" means the combined investment of new buildings and new machinery and equipment in the buildings, at the commencement of commercial production, will be at least one billion dollars.

(2) The sections referenced in subsection (1) of this section take effect the first day of the month in which a contract for the construction of a significant semiconductor fabrication facility is signed, <u>if the contract is signed and received by January 1, 2024</u>, as determined by the director of the department of revenue.

(3)(a) The department of revenue must provide notice of the effective date of the sections referenced in subsection (1) of this section to affected taxpayers, the legislature, and others as deemed appropriate by the department.

(b) If, after making a determination that a contract has been signed and the sections referenced in subsection (1) of this section are effective, the department discovers that commencement of commercial production did not take place within three years of the date the contract was signed, the department must make a determination that chapter 149, Laws of 2003 is no longer effective, and all taxes that would have been otherwise due are deemed deferred taxes and are immediately assessed and payable from any person reporting tax under RCW 82.04.240(2) or claiming an exemption or credit under RCW 82.04.426, 82.04.448, 82.08.965, 82.12.965, 82.08.970, 82.12.970, or 84.36.645. The department is not authorized to make a second determination regarding the effective date of the sections referenced in subsection (1) of this section.

(4)(a) This section expires January 1, 2024, if the contingency in subsection (2) of this section does not occur by January 1, 2024, as determined by the department.

(b) The department must provide written notice of the expiration date of this section and the sections referenced in subsection (1) of this section to affected taxpayers, the legislature, and others as deemed appropriate by the department.

**Sec. 526.** RCW 82.32.790 and 2017 c 323 s 509 and 2017 c 135 s 47 are each reenacted and amended to read as follows:

(1)(a) Sections 510, 512, 514, 516, 518, 520, 522, and 524, chapter  $\dots$ Laws of 2017 3rd sp. sess. (sections 510, 512, 514, 516, 518, 520, 522, and 524 of this act), sections 9, 13, 17, 22, 24, 30, 32, and 45, chapter 135, Laws of 2017, sections 104, 110, 117, 123, 125, 129, 131, and 150, chapter 114, Laws of 2010, and sections 1, 2, 3, and 5 through 10, chapter 149, Laws of 2003 are contingent upon the siting and commercial operation of a significant semiconductor microchip fabrication facility in the state of Washington by January 1, 2024.

(b) For the purposes of this section:

(i) "Commercial operation" means the same as "commencement of commercial production" as used in RCW 82.08.965.

(ii) "Semiconductor microchip fabrication" means "manufacturing semiconductor microchips" as defined in RCW 82.04.426.

(iii) "Significant" means the combined investment of new buildings and new machinery and equipment in the buildings, at the commencement of commercial production, will be at least one billion dollars.

(2) The sections referenced in subsection (1) of this section take effect the first day of the month in which a contract for the construction of a significant semiconductor fabrication facility is signed, <u>if the contract is signed and received by January 1, 2024</u>, as determined by the director of the department of revenue.

(3)(a) The department of revenue must provide notice of the effective date of the sections referenced in subsection (1) of this section to affected taxpayers, the legislature, and others as deemed appropriate by the department.

(b) If, after making a determination that a contract has been signed and the sections referenced in subsection (1) of this section are effective, the department discovers that commencement of commercial production did not take place within three years of the date the contract was signed, the department must make a determination that chapter 149, Laws of 2003 is no longer effective, and all taxes that would have been otherwise due are deemed deferred taxes and are immediately assessed and payable from any person reporting tax under RCW 82.04.240(2) or claiming an exemption or credit under RCW 82.04.426, 82.04.448, 82.08.965, 82.12.965, 82.08.970, 82.12.970, or 84.36.645. The department is not authorized to make a second determination regarding the effective date of the sections referenced in subsection (1) of this section.

(4)(a) This section expires January 1, 2024, if the contingency in subsection (2) of this section does not occur by January 1, 2024, as determined by the department.

(b) The department must provide written notice of the expiration date of this section and the sections referenced in subsection (1) of this section to affected taxpayers, the legislature, and others as deemed appropriate by the department.

### Part VI

# Providing Sales and Use Tax Exemptions to Encourage Coal-Fired Electric Generation Plants to Convert to Natural Gas-Fired Plants or Biomass Energy Facilities

*<u>NEW SECTION.</u> Sec. 601. This section is the tax preference performance statement for the tax preference contained in sections 602 and 603, chapter . . ., Laws of 2017 3rd sp. sess. (sections 602 and 603 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 preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to create or retain jobs, as indicated in RCW 82.32.808(2)(c).

(2) It is the legislature's specific public policy objective to retain jobs at existing coal-fired electric generation facilities by providing a tax exemption to allow these facilities to convert into natural gas-fired generation plants or biomass energy facilities rather than shut down entirely. It is the legislature's intent to provide a tax exemption for the conversion of a coal-fired electric generation facility into a natural gas-fired generation plant or biomass energy facility, in order to reduce the costs recently imposed by the legislature on companies that operate coal-fired electric generation facilities, thereby increasing the ability of these companies to continue their operations in Washington state, thereby retaining jobs that otherwise would be lost if a coalfired electric generation facility were to shut down.

(3) This tax preference is created to provide an opportunity for coal-fired electric generation facilities to convert into natural gas-fired generation plants or biomass energy facilities. This tax preference is meant to expire and, therefore, the joint legislative audit and review committee is exempt from reviewing this tax preference as required in chapter 43.136 RCW.

*Sec. 601 was vetoed. See message at end of chapter.

*<u>NEW SECTION.</u> Sec. 602. A new section is added to chapter 82.08 RCW to read as follows:

(1) Subject to the requirements in subsection (2) of this section, a taxpayer is eligible for an exemption from the tax imposed by RCW 82.08.020 on the sale of or charge made for:

(a) Labor and services rendered in respect to the constructing of new structures, and expansion or renovation of existing structures, for the purpose of converting a coal-fired electric generation facility into a natural gas-fired plant or biomass energy facility;

(b) Materials that will be incorporated as an ingredient or component of new or existing structures during the course of such constructing, expanding, or renovating; or

(c) Machinery and equipment that is required to convert a coal-fired electric generation facility into a natural gas-fired plant or biomass energy facility, including labor and services rendered in respect to installing such machinery and equipment.

(2)(a) The exemption in this section is in the form of a remittance. A purchaser claiming an exemption from the tax in the form of a remittance under this section must pay all applicable state and local sales taxes imposed under RCW 82.08.020 and chapter 82.14 RCW on all purchases qualifying for the exemption. After the conversion of a coal-fired electric generation facility into a natural gas-fired plant or biomass energy facility is operationally complete, but not earlier than April 1, 2021, the purchaser may then apply to the department for a remittance of one hundred percent of the state and local sales taxes paid under RCW 82.08.020 and chapter 82.14 RCW for purchases qualifying under subsection (1) of this section. The purchaser must specify the amount of exempted tax claimed and the qualifying purchases for which the exemption is claimed. The purchaser must retain, in adequate detail, records to enable the department to determine whether the purchaser is entitled to an exemption under this section, including: Invoices; proof of tax paid; and construction contracts.

(b) The department may not accept any application for a remittance that it does not receive by the later of July 1, 2021, or within one year after the department determines that the conversion of a coal-fired electric generation facility into a natural gas-fired plant or biomass energy facility is operationally complete.

(c) The department must determine eligibility under this section based on information provided by the purchaser, which is subject to audit verification by the department. The department must remit exempted amounts to qualifying purchasers who submitted timely applications during the previous calendar quarter. No remittances may be paid before July 1, 2021.

(3) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Biomass energy" means energy derived from solid organic fuels from wood or forest or field residues.

(b)(i) "Machinery and equipment" means industrial fixtures, devices, and support facilities that are integral and necessary to the generation of electricity using natural gas or biomass, including repair parts and replacement parts.

(ii) "Machinery and equipment" does not include: (A) Hand-powered tools; (B) property with a useful life of less than one year; (C) repair parts required to restore machinery and equipment to normal working order; (D) replacement parts that do not increase productivity, improve efficiency, or extend the useful life of machinery and equipment; (E) buildings; or (F) building fixtures that are not integral and necessary to the generation of electricity that are permanently affixed to and become a physical part of a building.

(c) "Operationally complete" means constructed or improved to the point of being functionally capable of generating electricity using natural gas or biomass.

(4) This section expires July 1, 2027.

*Sec. 602 was vetoed. See message at end of chapter.

*<u>NEW SECTION.</u> Sec. 603. A new section is added to chapter 82.12 RCW to read as follows:

(1) Subject to the requirements in subsection (2) of this section, a taxpayer is eligible for an exemption from the tax imposed by RCW 82.12.020 on the use of:

(a) Materials that will be incorporated as an ingredient or component of new or existing structures during the course of the constructing of new structures, or expansion or renovation of existing structures, for the purpose of converting a coal-fired electric generation facility into a natural gas-fired plant or biomass energy facility; and

(b) Machinery and equipment that is required to convert a coal-fired electric generation facility into a natural gas-fired plant or biomass energy facility, including labor and services rendered in respect to installing such machinery and equipment.

(2)(a) A taxpayer is exempt from the tax imposed by RCW 82.12.020 on the use of materials, machinery and equipment, or installation labor, if the taxpayer received a remittance under section 602 of this act with respect to the purchase of the materials, machinery and equipment, or installation labor.

(b) With respect to materials, machinery and equipment, or installation labor qualifying for the exemption in this section and acquired by the taxpayer without the payment of the sales tax imposed by RCW 82.08.020, the exemption in this section is in the form of a remittance of the state and local use taxes paid under RCW 82.12.020 and chapter 82.14 RCW. All of the provisions applicable to remittances under section 602 of this act apply to remittances under this section.

(3) The exemption in this section does not apply to the use of materials, machinery and equipment, and installation labor for machinery and

equipment, when first use within this state of such materials, machinery and equipment, and installation labor occurred after June 30, 2027.

(4) The definitions in section 602 of this act apply to this section.

(5) This section expires July 1, 2027.

*Sec. 603 was vetoed. See message at end of chapter.

**Sec. 604.* RCW 82.14.050 and 2016 c 191 s 4 are each amended to read as follows:

(1) The counties, cities, and transportation authorities under RCW 82.14.045, public facilities districts under chapters 36.100 and 35.57 RCW, public transportation benefit areas under RCW 82.14.440, regional transportation investment districts, and transportation benefit districts under chapter 36.73 RCW must contract, prior to the effective date of a resolution or ordinance imposing a sales and use tax, the administration and collection to the state department of revenue, which must deduct a percentage amount, as provided by contract, not to exceed two percent of the taxes collected for administration and collection expenses incurred by the department. The remainder of any portion of any tax authorized by this chapter that is collected by the department of revenue must be deposited by the state department of revenue in the local sales and use tax account hereby created in the state treasury. Beginning January 1, 2013, the department of revenue must make deposits in the local sales and use tax account on a monthly basis on the last business day of the month in which distributions required in (a) of this subsection are due. Moneys in the local sales and use tax account may be withdrawn only for:

(a) Distribution to counties, cities, transportation authorities, public facilities districts, public transportation benefit areas, regional transportation investment districts, and transportation benefit districts imposing a sales and use tax; and

(b) Making refunds of taxes imposed under the authority of this chapter and RCW 81.104.170 and exempted under RCW 82.08.962, 82.12.962, 82.08.02565, 82.12.02565, 82.08.025661, ((<del>or</del>)) 82.12.025661, section 602 of this act, or section 603 of this act.

(2) All administrative provisions in chapters 82.03, 82.08, 82.12, and 82.32 RCW, as they now exist or may hereafter be amended, insofar as they are applicable to state sales and use taxes, are applicable to taxes imposed pursuant to this chapter.

(3) Counties, cities, transportation authorities, public facilities districts, and regional transportation investment districts may not conduct independent sales or use tax audits of sellers registered under the streamlined sales tax agreement.

(4) Except as provided in RCW 43.08.190 and subsection (5) of this section, all earnings of investments of balances in the local sales and use tax account must be credited to the local sales and use tax account and distributed to the counties, cities, transportation authorities, public facilities districts, public transportation benefit areas, regional transportation investment districts, and transportation benefit districts monthly.

(5) Beginning January 1, 2013, the state treasurer must determine the amount of earnings on investments that would have been credited to the local sales and use tax account if the collections had been deposited in the account

over the prior month. When distributions are made under subsection (1)(a) of this section, the state treasurer must transfer this amount from the state general fund to the local sales and use tax account and must distribute such sums to the counties, cities, transportation authorities, public facilities districts, public transportation benefit areas, regional transportation investment districts, and transportation benefit districts.

*Sec. 604 was vetoed. See message at end of chapter.

**Sec. 605.* RCW 82.14.060 and 2016 c 191 s 5 are each amended to read as follows:

(1)(a) Monthly, the state treasurer must distribute from the local sales and use tax account to the counties, cities, transportation authorities, public facilities districts, and transportation benefit districts the amount of tax collected on behalf of each taxing authority, less:

(i) The deduction provided for in RCW 82.14.050; and

(ii) The amount of any refunds of local sales and use taxes exempted under RCW 82.08.962, 82.12.962, 82.08.02565, 82.12.02565, 82.08.025661, (( $\frac{\sigma r}{r}$ )) 82.12.025661, section 602 of this act, or section 603 of this act, which must be made without appropriation.

(b) The state treasurer must make the distribution under this section without appropriation.

(2) In the event that any ordinance or resolution imposes a sales and use tax at a rate in excess of the applicable limits contained herein, such ordinance or resolution may not be considered void in toto, but only with respect to that portion of the rate which is in excess of the applicable limits contained herein.

*Sec. 605 was vetoed. See message at end of chapter.

*<u>NEW SECTION.</u> Sec. 606. A new section is added to chapter 82.32 RCW to read as follows:

(1) Beginning one year after the natural gas-fired plant or biomass energy facility is operationally complete, a person must repay all sales and use taxes remitted to the person under sections 602 and 603 of this act if the number of employment positions, reported to the employment security department, at the natural gas-fired plant or biomass energy facility decreases by twenty-five percent from the previous year's employment level.

(2) If sales and use taxes must be repaid under subsection (1) of this section, the department must declare the amounts to be immediately due and payable. The department must assess interest, but not penalties, on the amounts due under this subsection. The department must assess interest at the rate provided for delinquent taxes under this chapter, retroactively to the date the tax preference was claimed, and such interest accrues until the tax preference amounts are repaid.

(3) If sales and use taxes must be repaid under subsection (1) of this section, the person may not continue to claim the sales and use tax exemptions under sections 602 and 603 of this act.

(4) This section does not apply to any changes in the number of employment positions at a natural gas-fired plant or biomass energy facility that occur on or after January 1, 2031.

*Sec. 606 was vetoed. See message at end of chapter.

# Part VII

## **Tax Relief for Silicon Smelters**

<u>NEW SECTION.</u> Sec. 701. (1) The legislature finds that an opportunity exists through a smelting process to produce silicon metal, which can be used in the production of photovoltaic cells for solar energy systems. The legislature further finds that energy is one of the largest costs for the smelting process and therefore ensuring the lowest possible energy cost is one of the key drivers of business location decisions. The legislature further finds that the silicon smelting process creates an opportunity to reduce carbon dioxide emissions used in the manufacturing of materials for solar energy systems. The legislature further finds that if the silicon smelting process occurs in Washington, the carbon footprint of the end product solar energy systems is likely to be less than if the silicon smelting occurred elsewhere. It is the legislature's specific public policy objective to promote the manufacturing of silicon for use in production of photovoltaic cells for solar energy systems. The legislature intends to provide a public utility tax credit, a business and occupation tax credit, and an exemption from the brokered natural gas use tax for silicon smelters thereby promoting the manufacture of silicon for solar energy systems, thereby reducing the cost of energy in the smelting process, and thereby stimulating economic growth and job creation in Washington's rural counties, as defined in RCW 82.14.370(5).

(2)(a) This section is the tax preference performance statement for the tax preferences contained in this part. This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(b) The legislature categorizes the tax preferences in sections 702 through 707, chapter . . ., Laws of 2017 3rd sp. sess. (sections 702 through 707 of this act) as ones intended to create jobs, as indicated in RCW 82.32.808(2)(c) and to provide tax relief for certain businesses or individuals as indicated in RCW 82.32.808(2)(c).

(c) To measure the effectiveness of this part in achieving the specific public policy objective described in (b) of this subsection, the joint legislative audit and review committee must, at minimum, evaluate the following:

(i) The number of businesses who are claiming the tax preferences in sections 702 through 707, chapter . . ., Laws of 2017 3rd sp. sess. (sections 702 through 707 of this act), and the total relief provided to them, as reported to the department of revenue on an annual basis;

(ii) The volume of solar grade silicon made in Washington compared to years prior to the effective date of this section;

(iii) Specifically assess the number of employment positions for each silicon smelter claiming or receiving the benefit of the preferences in sections 702 through 707, chapter . . ., Laws of 2017 3rd sp. sess. (sections 702 through 707 of this act), using data provided by the department of revenue;

(iv) Estimate the cost per job based on the amount of tax preferences taken by each silicon smelter;

(v) Estimate the number of solar energy systems, and the power output of those systems, that were likely produced using Washington state solar grade silicon based on the volume of silicon smelted in Washington at each silicon smelter utilizing the incentive; and (vi) Determine, utilizing the finalized 2015 county wage data from the census of employment and wages as reported by the employment security department:

(A) The number of jobs at each eligible silicon smelter paying above the county average annual wage in the county in which the facility is located; and

(B) The proportion of jobs paying above the county average annual wage represented by the jobs provided by each eligible silicon smelter utilizing the incentive.

(d) In addition to the data sources described under this section, the joint legislative audit and review committee may use any other data it deems necessary in performing the evaluation under (c) of this subsection.

<u>NEW SECTION.</u> Sec. 702. A new section is added to chapter 82.16 RCW to read as follows:

(1) A person who is subject to tax under this chapter on gross income from sales of electricity, natural gas, or manufactured gas made to a silicon smelter is eligible for an exemption from the tax in the form of a credit, if the contract for sale of electricity or gas to the silicon smelter specifies that the price charged for the electricity or gas will be reduced by an amount equal to the credit.

(2) The credit is equal to the gross income from the sale of the electricity or gas to a silicon smelter multiplied by the corresponding rate in effect at the time of the sale for the public utility tax under RCW 82.16.020.

(3) The exemption provided for in this section does not apply to amounts received from the remarketing or resale of electricity originally obtained by contract for the smelting process.

(4) The department must provide a separate tax reporting line for reporting credits under this section by sellers of electricity, natural gas, or manufactured gas.

(5) For purposes of the annual survey required by RCW 82.32.585:

(a) The silicon smelter receiving the benefit of the credit under this section is deemed to be the taxpayer claiming the credit and is required to file the annual survey; and

(b) The person selling the electricity, natural gas, or manufactured gas to the silicon smelter is not required to file the annual survey.

(6) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Silicon smelter" means a manufacturing facility that processes silica into solar grade silicon.

(b) "Solar grade silicon" means high-purity silicon used exclusively in components of solar energy systems using photovoltaic modules to capture direct sunlight. "Solar grade silicon" does not include silicon used in semiconductors.

**Sec. 703.** RCW 82.16.--- and 2017 c ... s 702 (section 702 of this act) are each amended to read as follows:

(1) A person who is subject to tax under this chapter on gross income from sales of electricity, natural gas, or manufactured gas made to a silicon smelter is eligible for an exemption from the tax in the form of a credit, if the contract for sale of electricity or gas to the silicon smelter specifies that the price charged for the electricity or gas will be reduced by an amount equal to the credit. (2) The credit is equal to the gross income from the sale of the electricity or gas to a silicon smelter multiplied by the corresponding rate in effect at the time of the sale for the public utility tax under RCW 82.16.020.

(3) The exemption provided for in this section does not apply to amounts received from the remarketing or resale of electricity originally obtained by contract for the smelting process.

(4) The department must provide a separate tax reporting line for reporting credits under this section by sellers of electricity, natural gas, or manufactured gas.

(5) For purposes of the annual ((survey)) <u>tax performance report</u> required by RCW ((<del>82.32.585</del>)) <u>82.32.534</u>:

(a) The silicon smelter receiving the benefit of the credit under this section is deemed to be the taxpayer claiming the credit and is required to file the annual ((survey)) tax performance report; and

(b) The person selling the electricity, natural gas, or manufactured gas to the silicon smelter is not required to file the annual ((survey)) tax performance report.

(6) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Silicon smelter" means a manufacturing facility that processes silica into solar grade silicon.

(b) "Solar grade silicon" means high-purity silicon used exclusively in components of solar energy systems using photovoltaic modules to capture direct sunlight. "Solar grade silicon" does not include silicon used in semiconductors.

<u>NEW SECTION.</u> Sec. 704. A new section is added to chapter 82.04 RCW to read as follows:

(1) A person who is subject to tax under this chapter on gross income from sales of electricity, natural gas, or manufactured gas made to a silicon smelter is eligible for an exemption from the tax in the form of a credit, if the contract for sale of electricity or gas to the silicon smelter specifies that the price charged for the electricity or gas will be reduced by an amount equal to the credit.

(2) The credit is equal to the gross income from the sale of the electricity or gas to a silicon smelter multiplied by the corresponding rate in effect at the time of the sale under this chapter.

(3) The exemption provided for in this section does not apply to amounts received from the remarketing or resale of electricity originally obtained by contract for the smelting process.

(4) The department must provide a separate tax reporting line for reporting credits under this section by sellers of electricity, natural gas, or manufactured gas.

(5) For purposes of the annual survey required by RCW 82.32.585:

(a) The silicon smelter receiving the benefit of the credit under this section is deemed to be the taxpayer claiming the credit and is required to file the annual survey; and

(b) The person selling the electricity, natural gas, or manufactured gas to the silicon smelter is not required to file the annual survey.

(6) For the purposes of this section, "silicon smelter" has the same meaning as provided in section 702 of this act.

Sec. 705. RCW 82.04.--- and 2017 c ... s 704 (section 704 of this act) are each amended to read as follows:

(1) A person who is subject to tax under this chapter on gross income from sales of electricity, natural gas, or manufactured gas made to a silicon smelter is eligible for an exemption from the tax in the form of a credit, if the contract for sale of electricity or gas to the silicon smelter specifies that the price charged for the electricity or gas will be reduced by an amount equal to the credit.

(2) The credit is equal to the gross income from the sale of the electricity or gas to a silicon smelter multiplied by the corresponding rate in effect at the time of the sale under this chapter.

(3) The exemption provided for in this section does not apply to amounts received from the remarketing or resale of electricity originally obtained by contract for the smelting process.

(4) The department must provide a separate tax reporting line for reporting credits under this section by sellers of electricity, natural gas, or manufactured gas.

(5) For purposes of the annual ((survey)) <u>tax performance report</u> required by RCW ((82.32.585)) 82.32.534:

(a) The silicon smelter receiving the benefit of the credit under this section is deemed to be the taxpayer claiming the credit and is required to file the annual ((survey)) tax performance report; and

(b) The person selling the electricity, natural gas, or manufactured gas to the silicon smelter is not required to file the annual ((survey)) tax performance report.

(6) For the purposes of this section, "silicon smelter" has the same meaning as provided in section (( $\frac{602}{10}$ ))  $\frac{703}{203}$  of this act.

Sec. 706. RCW 82.12.022 and 2015 3rd sp.s. c 6 s 506 are each amended to read as follows:

(1) A use tax is levied on every person in this state for the privilege of using natural gas or manufactured gas, including compressed natural gas and liquefied natural gas, within this state as a consumer.

(2) The tax must be levied and collected in an amount equal to the value of the article used by the taxpayer multiplied by the rate in effect for the public utility tax on gas distribution businesses under RCW 82.16.020. The "value of the article used" does not include any amounts that are paid for the hire or use of a gas distribution business as defined in RCW 82.16.010(2) in transporting the gas subject to tax under this subsection if those amounts are subject to tax under that chapter.

(3) The tax levied in this section does not apply to the use of natural or manufactured gas delivered to the consumer by other means than through a pipeline.

(4) The tax levied in this section does not apply to the use of natural or manufactured gas if the person who sold the gas to the consumer has paid a tax under RCW 82.16.020 with respect to the gas for which exemption is sought under this subsection.

(5)(a) The tax levied in this section does not apply to the use of natural or manufactured gas by an aluminum smelter as that term is defined in RCW 82.04.217 before January 1, 2027.

(b) A person claiming the exemption provided in this subsection (5) must file a complete annual report with the department under RCW 82.32.534.

(6) The tax imposed by this section does not apply to the use of natural gas, compressed natural gas, or liquefied natural gas, if the consumer uses the gas for transportation fuel as defined in RCW 82.16.310.

(7) The tax levied in this section does not apply to the use of natural or manufactured gas by a silicon smelter as that term is defined in section 702 of this act.

(8) There is a credit against the tax levied under this section in an amount equal to any tax paid by:

(a) The person who sold the gas to the consumer when that tax is a gross receipts tax similar to that imposed pursuant to RCW 82.16.020 by another state with respect to the gas for which a credit is sought under this subsection; or

(b) The person consuming the gas upon which a use tax similar to the tax imposed by this section was paid to another state with respect to the gas for which a credit is sought under this subsection.

 $((\frac{(8)}{(8)}))$  (9) The use tax imposed in this section must be paid by the consumer to the department.

(((9))) (10) There is imposed a reporting requirement on the person who delivered the gas to the consumer to make a quarterly report to the department. Such report must contain the volume of gas delivered, name of the consumer to whom delivered, and such other information as the department may require by rule.

 $(((\frac{10}{10})))$  (11) The department may adopt rules under chapter 34.05 RCW for the administration and enforcement of sections 1 through 6, chapter 384, Laws of 1989.

Sec. 707. RCW 82.12.022 and 2017 c 135 s 27 are each amended to read as follows:

(1) A use tax is levied on every person in this state for the privilege of using natural gas or manufactured gas, including compressed natural gas and liquefied natural gas, within this state as a consumer.

(2) The tax must be levied and collected in an amount equal to the value of the article used by the taxpayer multiplied by the rate in effect for the public utility tax on gas distribution businesses under RCW 82.16.020. The "value of the article used" does not include any amounts that are paid for the hire or use of a gas distribution business as defined in RCW 82.16.010(2) in transporting the gas subject to tax under this subsection if those amounts are subject to tax under that chapter.

(3) The tax levied in this section does not apply to the use of natural or manufactured gas delivered to the consumer by other means than through a pipeline.

(4) The tax levied in this section does not apply to the use of natural or manufactured gas if the person who sold the gas to the consumer has paid a tax under RCW 82.16.020 with respect to the gas for which exemption is sought under this subsection.

(5)(a) The tax levied in this section does not apply to the use of natural or manufactured gas by an aluminum smelter as that term is defined in RCW 82.04.217 before January 1, 2027.

(6) The tax imposed by this section does not apply to the use of natural gas, compressed natural gas, or liquefied natural gas, if the consumer uses the gas for transportation fuel as defined in RCW 82.16.310.

(7) The tax levied in this section does not apply to the use of natural or manufactured gas by a silicon smelter as that term is defined in section 703 of this act.

(8) There is a credit against the tax levied under this section in an amount equal to any tax paid by:

(a) The person who sold the gas to the consumer when that tax is a gross receipts tax similar to that imposed pursuant to RCW 82.16.020 by another state with respect to the gas for which a credit is sought under this subsection; or

(b) The person consuming the gas upon which a use tax similar to the tax imposed by this section was paid to another state with respect to the gas for which a credit is sought under this subsection.

(((8))) (9) The use tax imposed in this section must be paid by the consumer to the department.

(((9))) (10) There is imposed a reporting requirement on the person who delivered the gas to the consumer to make a quarterly report to the department. Such report must contain the volume of gas delivered, name of the consumer to whom delivered, and such other information as the department may require by rule.

(((10))) (11) The department may adopt rules under chapter 34.05 RCW for the administration and enforcement of sections 1 through 6, chapter 384, Laws of 1989.

<u>NEW SECTION.</u> Sec. 708. A new section is added to chapter 82.32 RCW to read as follows:

(1)(a) A silicon smelter operated by a person required to submit an annual survey or report under sections 702 through 707 of this act must repay an amount equal to the entire economic benefit accruing to the person for the previous two calendar years due to the tax preferences under sections 702 through 707 of this act if:

(i) The average number of employment positions at a silicon smelter operated by the person is less than one hundred employment positions, as reported to the employment security department for the previous two calendar years; and

(ii) The average annual wage for all employment positions is equal to or less than the average annual wage for the county in which the silicon smelter operation is located for the previous two calendar years. The department must use the finalized 2015 county wage data from the census of employment and wages as reported by the employment security department.

(b) The department must make the determinations under (a)(i) and (ii) of this subsection (1) by August 31, 2023.

(2) If any tax preference amounts must be repaid under subsection (1) of this section, the department must declare the tax preference amounts to be immediately due and payable. The department must assess interest, but not penalties, on the amounts due under this subsection. The department must assess

interest at the rate provided for delinquent taxes under this chapter, retroactively to the date the tax preference was claimed, and such interest accrues until the tax preference amounts are repaid.

(3) If any tax preference amounts must be repaid under subsection (1) of this section, the person may not continue to benefit from the tax preferences under sections 702 through 707 of this act.

#### Part VIII

### **Invest in Washington Program**

Sec. 801. RCW 82.85.010 and 2015 3rd sp.s. c 6 s 401 are each amended to read as follows:

(1) Businesses that invest capital create jobs and generate economic activity that supports a healthy Washington economy. The legislature finds that these investments result in future revenues that support schools and our communities. Therefore, the legislature finds that a pilot program must be conducted to evaluate the effectiveness of a program that invests business taxes from new investments into workforce training programs that support manufacturing businesses in the state of Washington thereby creating jobs and capital investments in the state for the benefit of its citizens.

(2)(a) This subsection is the tax preference performance statement for the sales and use tax deferral provided in RCW 82.85.040 on expenditures made to build or expand qualified investment projects and purchases of machinery and equipment. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(b) The legislature categorizes the tax preference as one intended to create or retain jobs and to provide funding to support job readiness training, professional development, or apprenticeship programs in manufacturing or production occupations, as indicated in RCW 82.32.808(2) (c) and (f).

(c) It is the legislature's specific public policy objective to provide a pilot program that would provide a sales tax deferral on the construction and expenditure costs of up to ((five)) two new manufacturing facilities per calendar year, ((two)) one of which must be located in eastern Washington and one of which must be located in western Washington. When deferred taxes are repaid, the deferred taxes are reinvested to support job readiness training, professional development, or apprenticeship programs in manufacturing or production occupations.

(d) To measure the effectiveness of the deferral provided in this part in achieving the specific public policy objective described in (c) of this subsection, the joint legislative audit and review committee should refer to information available from the employment security department and department of revenue. If a review finds that each eligible investment project generated at least twenty full-time jobs and increased training opportunities for manufacturing and production jobs, then the legislature intends for the legislative auditor to recommend extending the expiration date of the tax preference. For purposes of this subsection (2)(d), (([the term])) the term full-time jobs ((includes [include])) include both temporary construction jobs and permanent full-time employment positions created at the eligible investment project within one year of the date

(3) This section expires January 1, 2026.

Sec. 802. RCW 82.85.020 and 2015 3rd sp.s. c 6 s 402 are each amended to read as follows:

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

(((1))) (a) "Applicant" means a person applying for a tax deferral under this chapter.

(((2))) (b) "Eligible investment project" means an investment project for qualified buildings and machinery and equipment on ((five)) two new, renovated, or expanded manufacturing operations <u>per calendar year</u>, ((at least two)) <u>one</u> of which must be located east of the crest of the Cascade mountains and one of which must be located west of the crest of the Cascade mountains. The deferral provided in this section only applies to the state and local sales and use taxes due on the first ten million dollars in costs for qualified buildings and machinery and equipment.

(((3))) (c) "Initiation of construction" has the same meaning as in RCW 82.63.010.

(((4))) (d) "Investment project" means an investment in qualified buildings or qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction of the project.

(((5))) (e) "Manufacturing" has the same meaning as provided in RCW 82.04.120.

(((6))) (f) "Person" has the same meaning as provided in RCW 82.04.030.

(((7))) (g) "Qualified buildings" means construction of new structures, and expansion or renovation of existing structures for the purpose of increasing floor space or production capacity, used for manufacturing, including plant offices and warehouses or other buildings for the storage of raw material or finished goods if such facilities are an essential or an integral part of a factory, mill, plant, or laboratory used for manufacturing. If a qualified building is used partly for manufacturing and partly for other purposes, the applicable tax deferral must be determined by apportionment of the costs of construction under rules adopted by the department.

(((8))) (h) "Qualified machinery and equipment" means all new industrial fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing operation. "Qualified machinery and equipment" includes: Computers; software; data processing equipment; laboratory equipment; manufacturing components such as belts, pulleys, shafts, and moving parts; molds, tools, and dies; operating structures; and all equipment used to control, monitor, or operate the machinery.

(((9))) (i) "Recipient" means a person receiving a tax deferral under this chapter.

(2) This section expires January 1, 2026.

**Sec. 803.** RCW 82.85.040 and 2015 3rd sp.s. c 6 s 404 are each amended to read as follows:

(1) Application for deferral of taxes under this chapter must be made before initiation of the construction of the investment project or acquisition of

equipment or machinery. The application must be made to the department in a form and manner prescribed by the department. The deferrals are available on a first-in-time basis. The application must contain information regarding the location of the investment project, the applicant's average employment in the state for the prior year, estimated or actual new employment related to the project, estimated or actual wages of employees related to the project, estimated or actual costs, time schedules for completion and operation, and other information required by the department. The department must rule on the application within sixty days.

(2) The department may not approve applications for more than ((five)) two eligible investment projects per calendar year.

(3) This section expires January 1, 2026.

## Part IX

#### Extending the Sales and Use Tax Deferral for Historical Auto Museums

<u>NEW SECTION.</u> Sec. 901. (1) This section is the tax preference performance statement for the tax preference contained in section 902, chapter . . ., Laws of 2017 3rd sp. sess. (section 902 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 preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals and to accomplish a general purpose as indicated in RCW 82.32.808(2) (e) and (f).

(3) It is the legislature's specific public policy objective to increase the fiscal stability of historic automobile museums in Washington state and thereby, strengthen the economic vitality of the communities in which the museums are located.

(4) To measure the effectiveness of the tax preference in section 902, chapter . . ., Laws of 2017 3rd sp. sess. (section 902 of this act) in achieving the specific public policy objective described in subsection (3) of this section, the joint legislative audit and review committee must evaluate this tax preference. In evaluating the tax preference, the joint legislative audit and review committee may refer to data provided to the department of revenue.

Sec. 902. RCW 82.32.580 and 2005 c 514 s 701 are each amended to read as follows:

(1) The governing board of a nonprofit organization, corporation, or association may apply for deferral of taxes on an eligible project. Application  $((\frac{\text{shall}}))$  <u>must</u> be made to the department in a form and manner prescribed by the department. The application  $((\frac{\text{shall}}))$  <u>must</u> contain information regarding the location of the project, estimated or actual costs of the project, time schedules for completion and operation of the project, and other information required by the department. The department  $((\frac{\text{shall}}))$  <u>must</u> rule on the application within sixty days. All applications for the tax deferral under this section must be received no later than December 31, 2008.

(2) The department ((shall)) <u>must</u> issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW on each eligible project.

(3) The nonprofit organization, corporation, or association ((shall)) <u>must</u> begin paying the deferred taxes in the ((fifth)) tenth year after the date certified by the department as the date on which the eligible project is operationally complete. The first payment is due on December 31st of the ((fifth)) tenth calendar year after such certified date, with subsequent annual payments due on December 31st of the following nine years. Each payment ((shall)) <u>must</u> equal ten percent of the deferred tax.

(4) The department may authorize an accelerated repayment schedule upon request of the nonprofit organization, corporation, or association.

(5) Except as provided in subsection (6) of this section, interest  $((\frac{\text{shall}}))$  may not be charged on any taxes deferred under this section for the period of deferral. The debt for deferred taxes is not extinguished by insolvency or other failure of the nonprofit organization, corporation, or association.

(6) If the project is not operationally complete within five calendar years from issuance of the tax deferral or if at any time the department finds that the project is not eligible for tax deferral under this section, the amount of deferred taxes outstanding for the project ((shall be)) is immediately due and payable. If deferred taxes must be repaid under this subsection, the department ((shall)) must assess interest, but not penalties, on amounts due under this subsection. Interest ((shall)) must be assessed at the rate provided for delinquent taxes under this chapter, retroactively to the date of deferral, and ((shall)) accrues until the deferred taxes due are repaid.

(7) Applications and any other information received by the department of revenue under this section are not confidential under RCW 82.32.330. This chapter applies to the administration of this section.

(8) This section applies to taxable eligible project activity that occurs on or after July 1, 2007.

(9) ((The following definitions apply to this section:)) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Eligible project" means a project that is used primarily for a historic automobile museum.

(b) "Historic automobile museum" means a facility owned and operated by a nonprofit organization, corporation, or association that is used to maintain and exhibit to the public a collection of at least five hundred motor vehicles.

(c) "Nonprofit organization, corporation, or association" means an organization, corporation, or association exempt from tax under section 501(c) (3), (4), or (10) of the federal internal revenue code (26 U.S.C. Sec. 501(c) (3), (4), or (10)).

(d) "Project" means the construction of new structures, the acquisition and installation of fixtures that are permanently affixed to and become a physical part of those structures, and site preparation. For purposes of this subsection, structures do not include parking facilities used for motor vehicles that are not on display or part of the museum collection.

(e) "Site preparation" includes soil testing, site clearing and grading, demolition, or any other related activities that are initiated before construction. Site preparation does not include landscaping services or landscaping materials.

# Part X

# Concerning Removal of Land from Current Use Due to Natural Disaster

Sec. 1001. RCW 84.34.108 and 2017 c 323 s 506 are each amended to read as follows:

(1) When land has once been classified under this chapter, a notation of the classification must be made each year upon the assessment and tax rolls and the land must be valued pursuant to RCW 84.34.060 or 84.34.065 until removal of all or a portion of the classification by the assessor upon occurrence of any of the following:

(a) Receipt of notice from the owner to remove all or a portion of the classification;

(b) Sale or transfer to an ownership, except a transfer that resulted from a default in loan payments made to or secured by a governmental agency that intends to or is required by law or regulation to resell the property for the same use as before, making all or a portion of the land exempt from ad valorem taxation;

(c) Sale or transfer of all or a portion of the land to a new owner, unless the new owner has signed a notice of classification continuance, except transfer to an owner who is an heir or devisee of a deceased owner or transfer by a transfer on death deed does not, by itself, result in removal of classification. The notice of continuance must be on a form prepared by the department. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all additional taxes, applicable interest, and penalty calculated pursuant to subsection (4) of this section become due and payable by the seller or transferor at time of sale. The auditor may not accept an instrument of conveyance regarding classified land for filing or recording unless the new owner has signed the notice of continuance or the additional tax, applicable interest, and penalty has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (4) of this section to the county board of equalization in accordance with the provisions of RCW 84.40.038. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals:

(d)(i) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that all or a portion of the land no longer meets the criteria for classification under this chapter. The criteria for classification pursuant to this chapter continue to apply after classification has been granted.

(ii) The granting authority, upon request of an assessor, must provide reasonable assistance to the assessor in making a determination whether the land continues to meet the qualifications of RCW 84.34.020 (1) or (3). The assistance must be provided within thirty days of receipt of the request.

(2) Land may not be removed from classification because of:

(a) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or

(b) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

(3) Within thirty days after the removal of all or a portion of the land from current use classification under subsection (1) of this section, the assessor must notify the owner in writing, setting forth the reasons for the removal. The seller,

transferor, or owner may appeal the removal to the county board of equalization in accordance with the provisions of RCW 84.40.038. The removal notice must explain the steps needed to appeal the removal decision, including when a notice of appeal must be filed, where the forms may be obtained, and how to contact the county board of equalization.

(4) Unless the removal is reversed on appeal, the assessor must revalue the affected land with reference to its true and fair value on January 1st of the year of removal from classification. Both the assessed valuation before and after the removal of classification must be listed and taxes must be allocated according to that part of the year to which each assessed valuation applies. Except as provided in subsection (6) of this section, an additional tax, applicable interest, and penalty must be imposed, which are due and payable to the treasurer thirty days after the owner is notified of the amount of the additional tax, applicable interest, and penalty. As soon as possible, the assessor must compute the amount of additional tax, applicable interest, and penalty and the treasurer must mail notice to the owner of the amount thereof and the date on which payment is due. The amount of the additional tax, applicable interest, and penalty must be determined as follows:

(a) The amount of additional tax is equal to the difference between the property tax paid as "open space land," "farm and agricultural land," or "timberland" and the amount of property tax otherwise due and payable for the seven years last past had the land not been so classified;

(b) The amount of applicable interest is equal to the interest upon the amounts of the additional tax paid at the same statutory rate charged on delinquent property taxes from the dates on which the additional tax could have been paid without penalty if the land had been assessed at a value without regard to this chapter;

(c) The amount of the penalty is as provided in RCW 84.34.080. The penalty may not be imposed if the removal satisfies the conditions of RCW 84.34.070.

(5) Additional tax, applicable interest, and penalty become a lien on the land. The lien attaches at the time the land is removed from classification under this chapter and has priority to and must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the land may become charged or liable. This lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050. Any additional tax unpaid on the due date is delinquent as of the due date. From the date of delinquency until paid, interest must be charged at the same rate applied by law to delinquent ad valorem property taxes.

(6) The additional tax, applicable interest, and penalty specified in subsection (4) of this section may not be imposed if the removal of classification pursuant to subsection (1) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other land located within the state of Washington;

(b)(i) A taking through the exercise of the power of eminent domain, or (ii) sale or transfer to an entity having the power of eminent domain in anticipation

of the exercise of such power, said entity having manifested its intent in writing or by other official action;

(c) A natural disaster such as a flood, windstorm, earthquake, <u>wildfire</u>, or other such calamity rather than by virtue of the act of the landowner changing the use of the property;

(d) Official action by an agency of the state of Washington or by the county or city within which the land is located which disallows the present use of the land;

(e) Transfer of land to a church when the land would qualify for exemption pursuant to RCW 84.36.020;

(f) Acquisition of property interests by state agencies or agencies or organizations qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections. At such time as these property interests are not used for the purposes enumerated in RCW 84.34.210 and 64.04.130 the additional tax specified in subsection (4) of this section must be imposed;

(g) Removal of land classified as farm and agricultural land under RCW 84.34.020(2)(f);

(h) Removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification;

(i) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;

(j) The creation, sale, or transfer of a conservation easement of private forestlands within unconfined channel migration zones or containing critical habitat for threatened or endangered species under RCW 76.09.040;

(k) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forestland, designated as forestland under chapter 84.33 RCW, or classified under this chapter continuously since 1993. The date of death shown on a death certificate is the date used for the purposes of this subsection (6)(k); or

(l)(i) The discovery that the land was classified under this chapter in error through no fault of the owner. For purposes of this subsection (6)(l), "fault" means a knowingly false or misleading statement, or other act or omission not in good faith, that contributed to the approval of classification under this chapter or the failure of the assessor to remove the land from classification under this chapter.

(ii) For purposes of this subsection (6), the discovery that land was classified under this chapter in error through no fault of the owner is not the sole reason for removal of classification pursuant to subsection (1) of this section if an independent basis for removal exists. Examples of an independent basis for removal include the owner changing the use of the land or failing to meet any applicable income criteria required for classification under this chapter.

**Sec. 1002.** RCW 84.33.140 and 2014 c 137 s 3, 2014 c 97 s 309, and 2014 c 58 s 27 are each reenacted and amended to read as follows:

(1) When land has been designated as forestland under RCW 84.33.130, a notation of the designation must be made each year upon the assessment and tax rolls. A copy of the notice of approval together with the legal description or

assessor's parcel numbers for the land must, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded.

(2) In preparing the assessment roll as of January 1, 2002, for taxes payable in 2003 and each January 1st thereafter, the assessor must list each parcel of designated forestland at a value with respect to the grade and class provided in this subsection and adjusted as provided in subsection (3) of this section. The assessor must compute the assessed value of the land using the same assessment ratio applied generally in computing the assessed value of other property in the county. Values for the several grades of bare forestland are as follows:

LAND	OPERABILITY	VALUES
GRADE	CLASS	PER ACRE
	1	\$234
1	2	229
	3	217
	4	157
	1	198
2	2	190
	3	183
	4	132
	1	154
3	2	149
	3	148
	4	113
	1	117
4	2	114
	3	113
	4	86
	1	85
5	2	78
	3	77
	4	52
	1	43
6	2	39
	3	39
	4	37
	1	21
7	2	21
	3	20
	4	20

LAND	OPERABILITY	VALUES
GRADE	CLASS	PER ACRE
8		1

(3) On or before December 31, 2001, the department must adjust by rule under chapter 34.05 RCW, the forestland values contained in subsection (2) of this section in accordance with this subsection, and must certify the adjusted values to the assessor who will use these values in preparing the assessment roll as of January 1, 2002. For the adjustment to be made on or before December 31, 2001, for use in the 2002 assessment year, the department must:

(a) Divide the aggregate value of all timber harvested within the state between July 1, 1996, and June 30, 2001, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 84.33.074; and

(b) Divide the aggregate value of all timber harvested within the state between July 1, 1995, and June 30, 2000, by the aggregate harvest volume for the same period, as determined from the harvester excise tax returns filed with the department under RCW 84.33.074; and

(c) Adjust the forestland values contained in subsection (2) of this section by a percentage equal to one-half of the percentage change in the average values of harvested timber reflected by comparing the resultant values calculated under (a) and (b) of this subsection.

(4) For the adjustments to be made on or before December 31, 2002, and each succeeding year thereafter, the same procedure described in subsection (3) of this section must be followed using harvester excise tax returns filed under RCW 84.33.074. However, this adjustment must be made to the prior year's adjusted value, and the five-year periods for calculating average harvested timber values must be successively one year more recent.

(5) Land graded, assessed, and valued as forestland must continue to be so graded, assessed, and valued until removal of designation by the assessor upon the occurrence of any of the following:

(a) Receipt of notice of request to withdraw land classified under RCW 84.34.020(3) within two years before the date of the merger under RCW 84.34.400. Land previously classified under chapter 84.34 RCW will be removed under the provisions of this chapter when two assessment years have passed following receipt of the notice as described in RCW 84.34.070(1);

(b) Receipt of notice from the owner to remove the designation;

(c) Sale or transfer to an ownership making the land exempt from ad valorem taxation;

(d) Sale or transfer of all or a portion of the land to a new owner, unless the new owner has signed a notice of forestland designation continuance, except transfer to an owner who is an heir or devisee of a deceased owner or transfer by a transfer on death deed, does not, by itself, result in removal of designation. The signed notice of continuance must be attached to the real estate excise tax affidavit provided for in RCW 82.45.150. The notice of continuance must be on a form prepared by the department. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all compensating taxes calculated under subsection (11) of this section are due and payable by the seller or transferor at time of sale. The auditor may not accept an

instrument of conveyance regarding designated forestland for filing or recording unless the new owner has signed the notice of continuance or the compensating tax has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (11) of this section to the county board of equalization in accordance with the provisions of RCW 84.40.038. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals;

(e) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that:

(i) The land is no longer primarily devoted to and used for growing and harvesting timber. However, land may not be removed from designation if a governmental agency, organization, or other recipient identified in subsection (13) or (14) of this section as exempt from the payment of compensating tax has manifested its intent in writing or by other official action to acquire a property interest in the designated forestland by means of a transaction that qualifies for an exemption under subsection (13) or (14) of this section. The governmental agency, organization, or recipient must annually provide the assessor of the county in which the land is located reasonable evidence in writing of the intent to acquire the designated land as long as the intent continues or within sixty days of a request by the assessor. The assessor may not request this evidence more than once in a calendar year;

(ii) The owner has failed to comply with a final administrative or judicial order with respect to a violation of the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or any applicable rules under Title 76 RCW; or

(iii) Restocking has not occurred to the extent or within the time specified in the application for designation of such land.

(6) Land may not be removed from designation if there is a governmental restriction that prohibits, in whole or in part, the owner from harvesting timber from the owner's designated forestland. If only a portion of the parcel is impacted by governmental restrictions of this nature, the restrictions cannot be used as a basis to remove the remainder of the forestland from designation under this chapter. For the purposes of this section, "governmental restrictions" includes: (a) Any law, regulation, rule, ordinance, program, or other action adopted or taken by a federal, state, county, city, or other governmental entity; or (b) the land's zoning or its presence within an urban growth area designated under RCW 36.70A.110.

(7) The assessor has the option of requiring an owner of forestland to file a timber management plan with the assessor upon the occurrence of one of the following:

(a) An application for designation as forestland is submitted;

(b) Designated forestland is sold or transferred and a notice of continuance, described in subsection (5)(d) of this section, is signed; or

(c) The assessor has reason to believe that forestland sized less than twenty acres is no longer primarily devoted to and used for growing and harvesting timber. The assessor may require a timber management plan to assist with determining continuing eligibility as designated forestland.

(8) If land is removed from designation because of any of the circumstances listed in subsection (5)(a) through (d) of this section, the removal applies only to the land affected. If land is removed from designation because of subsection (5)(e) of this section, the removal applies only to the actual area of land that is no longer primarily devoted to the growing and harvesting of timber, without regard to any other land that may have been included in the application and approved for designation, as long as the remaining designated forestland meets the definition of forestland contained in RCW 84.33.035.

(9) Within thirty days after the removal of designation as forestland, the assessor must notify the owner in writing, setting forth the reasons for the removal. The seller, transferor, or owner may appeal the removal to the county board of equalization in accordance with the provisions of RCW 84.40.038.

(10) Unless the removal is reversed on appeal a copy of the notice of removal with a notation of the action, if any, upon appeal, together with the legal description or assessor's parcel numbers for the land removed from designation must, at the expense of the applicant, be filed by the assessor in the same manner as deeds are recorded and a notation of removal from designation must immediately be made upon the assessment and tax rolls. The assessor must revalue the land to be removed with reference to its true and fair value as of January 1st of the year of removal from designation. Both the assessed value before and after the removal of designation must be listed. Taxes based on the value of the land as forestland are assessed and payable up until the date of removal and taxes based on the true and fair value of the land are assessed and payable from the date of removal from designation.

(11) Except as provided <u>otherwise</u> in  $((\frac{\text{subsection } (5)(d), (13), \text{ or } (14) \text{ of}))$  this section, a compensating tax is imposed on land removed from designation as forestland. The compensating tax is due and payable to the treasurer thirty days after the owner is notified of the amount of this tax. As soon as possible after the land is removed from designation, the assessor must compute the amount of compensating tax, and the treasurer must mail a notice to the owner of the amount of compensating tax is equal to the difference between the amount of tax last levied on the land as designated forestland and an amount equal to the new assessed value of the land multiplied by the dollar rate of the last levy extended against the land, multiplied by a number, in no event greater than nine, equal to the number of years for which the land was designated as forestland, plus compensating taxes on the land at true and fair value from the date of removal to the end of the current tax year.

(12) Compensating tax, together with applicable interest thereon, becomes a lien on the land, which attaches at the time the land is removed from designation as forestland and has priority and must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the land may become charged or liable. 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 as provided in RCW 84.64.050. Any compensating tax unpaid on its due date will thereupon become delinquent. From the date of delinquency until paid, interest

is charged at the same rate applied by law to delinquent ad valorem property taxes.

(13) The compensating tax specified in subsection (11) of this section may not be imposed if the removal of designation under subsection (5) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other forestland located within the state of Washington;

(b)(i) A taking through the exercise of the power of eminent domain, or (ii) a sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power based on official action taken by the entity and confirmed in writing;

(c) A donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections, or the sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the natural heritage council and natural heritage plan as defined in chapter 79.70 RCW or approved for state natural resources conservation area purposes as defined in chapter 79.71 RCW, or for acquisition and management as a community forest trust as defined in chapter 79.155 RCW. At such time as the land is not used for the purposes enumerated, the compensating tax specified in subsection (11) of this section is imposed upon the current owner;

(d) The sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;

(e) Official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present use of the land;

(f) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;

(g) The creation, sale, or transfer of a conservation easement of private forestlands within unconfined channel migration zones or containing critical habitat for threatened or endangered species under RCW 76.09.040;

(h) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forestland, designated as forestland under this chapter, or classified under chapter 84.34 RCW continuously since 1993. The date of death shown on a death certificate is the date used for the purposes of this subsection (13)(h); or

(i)(i) The discovery that the land was designated under this chapter in error through no fault of the owner. For purposes of this subsection (13)(i), "fault" means a knowingly false or misleading statement, or other act or omission not in good faith, that contributed to the approval of designation under this chapter or the failure of the assessor to remove the land from designation under this chapter.

(ii) For purposes of this subsection (13), the discovery that land was designated under this chapter in error through no fault of the owner is not the sole reason for removal of designation under subsection (5) of this section if an independent basis for removal exists. An example of an independent basis for

removal includes the land no longer being devoted to and used for growing and harvesting timber.

(14) In a county with a population of more than six hundred thousand inhabitants or in a county with a population of at least two hundred forty-five thousand inhabitants that borders Puget Sound as defined in RCW 90.71.010, the compensating tax specified in subsection (11) of this section may not be imposed if the removal of designation as forestland under subsection (5) of this section resulted solely from:

(a) An action described in subsection (13) of this section; or

(b) A transfer of a property interest to a government entity, or to a nonprofit historic preservation corporation or nonprofit nature conservancy corporation, as defined in RCW 64.04.130, to protect or enhance public resources, or to preserve, maintain, improve, restore, limit the future use of, or otherwise to conserve for public use or enjoyment, the property interest being transferred. At such time as the property interest is not used for the purposes enumerated, the compensating tax is imposed upon the current owner.

(15) Compensating tax authorized in this section may not be imposed on land removed from designation as forestland solely as a result of a natural disaster such as a flood, windstorm, earthquake, wildfire, or other such calamity rather than by virtue of the act of the landowner changing the use of the property.

<u>NEW SECTION.</u> Sec. 1003. The provisions of RCW 82.32.805 and 82.32.808 do not apply to this part.

## Part XI

# Modifying Washington's Motion Picture and Film Industries Tax Credit

<u>NEW SECTION.</u> Sec. 1101. (1) This section is the tax preference performance statement for the tax preferences contained in section 1102, chapter . . ., Laws of 2017 3rd sp. sess. (section 1102 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to create or retain jobs as indicated in RCW 82.32.808(2)(c).

(3) It is the legislature's specific public policy objective to increase the viability of the motion picture and film industry and associated creative industries in Washington state. It is the legislature's intent to increase the credit available to qualifying activities in order to attract additional motion picture and film projects, thereby increasing family-wage jobs.

(4) If a review finds that the jobs attributable to these projects increase by at least ten percent over the jobs in the state since 2016, then the legislature intends to extend the expiration date of the tax preference.

(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 data provided to the department of revenue pursuant to RCW 82.04.4489(9) and the annual survey required under RCW 43.365.040.

Sec. 1102. RCW 82.04.4489 and 2012 c 189 s 4 are each amended to read as follows:

(1) Subject to the limitations in this section, a credit is allowed against the tax imposed under this chapter for contributions made by a person to a Washington motion picture competitiveness program.

(2) The person must make the contribution before claiming a credit authorized under this section. Credits earned under this section may be claimed against taxes due for the calendar year in which the contribution is made. The amount of credit claimed for a reporting period may not exceed the tax otherwise due under this chapter for that reporting period. No person may claim more than ((one million)) seven hundred fifty thousand dollars of credit in any calendar year, including credit carried over from a previous calendar year. No refunds may be granted for any unused credits.

(3) The maximum credit that may be earned for each calendar year under this section for a person is limited to the lesser of ((one million)) seven hundred fifty thousand dollars or an amount equal to one hundred percent of the contributions made by the person to a program during the calendar year.

(4) Except as provided under subsection (5) of this section, a tax credit claimed under this section may not be carried over to another year.

(5) Any amount of tax credit otherwise allowable under this section not claimed by the person in any calendar year may be carried over and claimed against the person's tax liability for the next succeeding calendar year. Any credit remaining unused in the next succeeding calendar year may be carried forward and claimed against the person's tax liability for the second succeeding calendar year; and any credit not used in that second succeeding calendar year may be carried over and claimed against the person's tax liability for the second succeeding calendar year; and any credit not used in that second succeeding calendar year may be carried over and claimed against the person's tax liability for the third succeeding calendar year, but may not be carried over for any calendar year thereafter.

(6) Credits are available on a first in-time basis. The department must disallow any credits, or portion thereof, that would cause the total amount of credits claimed under this section during any calendar year to exceed three million five hundred thousand dollars. If this limitation is reached, the department must notify all Washington motion picture competitiveness programs that the annual statewide limit has been met. In addition, the department must provide written notice to any person who has claimed tax credits in excess of the limitation in this subsection. The notice must indicate the amount of tax due and provide that the tax be paid within thirty days from the date of the notice. The department may not assess penalties and interest as provided in chapter 82.32 RCW on the amount due in the initial notice if the amount due is paid by the due date specified in the notice, or any extension thereof.

(7) To claim a credit under this section, a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department. Any return, form, or information required to be filed in an electronic format under this section is not filed until received by the department in an electronic format. As used in this subsection, "returns" has the same meaning as "return" in RCW 82.32.050.

(8) No application is necessary for the tax credit. The person must keep records necessary for the department to verify eligibility under this section.

(9) A Washington motion picture competitiveness program must provide to the department, upon request, such information needed to verify eligibility for credit under this section, including information regarding contributions received by the program.

(10) The department may not allow any credit under this section before July 1, 2006.

(11) For the purposes of this section, "Washington motion picture competitiveness program" or "program" means an organization established pursuant to chapter 43.365 RCW.

(12) No credit may be earned for contributions made on or after July 1,  $((\frac{2017}{})) 2027$ .

Sec. 1103. RCW 43.365.010 and 2012 c 189 s 1 are each amended to read as follows:

The ((following)) definitions in this section apply ((to)) throughout this chapter(( $_{5}$ )) unless the context clearly requires otherwise.

(1) "Approved motion picture competitiveness program" means a nonprofit organization under the internal revenue code, section 501(c)(6), with the sole purpose of revitalizing the state's economic, cultural, and educational standing in the national and international market of motion picture production <u>and associated creative industries</u> and assisting and providing services for attracting the film industry <u>and associated creative industries</u>, by recommending and awarding financial assistance for costs associated with motion pictures in the state of Washington.

(2) "Contribution" means cash contributions.

(3) "Costs" means actual expenses of production and postproduction expended in Washington state for the production of motion pictures, including but not limited to payments made for salaries, wages, and health insurance and retirement benefits, the rental costs of machinery and equipment and the purchase of services, food, property, lodging, and permits for work conducted in Washington state.

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

(5) "Funding assistance" means cash expenditures from an approved motion picture competitiveness program.

(6) "Motion picture" means a recorded audiovisual production intended for distribution to the public for exhibition in public and/or private settings by means of any and all delivery systems and/or delivery platforms now or hereafter known, including without limitation, screenings in motion picture theaters, broadcasts and cablecast transmissions for viewing on televisions, computer screens, and other audiovisual receivers, viewings on screens by means of digital video disc (DVD) players, video on demand (VOD) services, and digital video recording (DVR) services, direct internet transmission, and viewing on digital computer-based systems which respond to the users' actions (interactive media).

(7) "Person" has the same meaning as provided in RCW 82.04.030.

## Part XII

# **Concerning the Excise Taxation of Martial Arts**

Sec. 1201. RCW 82.04.050 and 2015 3rd sp.s. c 6 s 1105 are each amended to read as follows:

(1)(a) "Sale at retail" or "retail sale" means every sale of tangible personal property (including articles produced, fabricated, or imprinted) to all persons irrespective of the nature of their business and including, among others, without limiting the scope hereof, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for consumers other than a sale to a person who:

(i) Purchases for the purpose of resale as tangible personal property in the regular course of business without intervening use by such person, but a purchase for the purpose of resale by a regional transit authority under RCW 81.112.300 is not a sale for resale; or

(ii) Installs, repairs, cleans, alters, imprints, improves, constructs, or decorates real or personal property of or for consumers, if such tangible personal property becomes an ingredient or component of such real or personal property without intervening use by such person; or

(iii) Purchases for the purpose of consuming the property purchased in producing for sale as a new article of tangible personal property or substance, of which such property becomes an ingredient or component or is a chemical used in processing, when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale; or

(iv) Purchases for the purpose of consuming the property purchased in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon; or

(v) Purchases for the purpose of providing the property to consumers as part of competitive telephone service, as defined in RCW 82.04.065; or

(vi) Purchases for the purpose of satisfying the person's obligations under an extended warranty as defined in subsection (7) of this section, if such tangible personal property replaces or becomes an ingredient or component of property covered by the extended warranty without intervening use by such person.

(b) The term includes every sale of tangible personal property that is used or consumed or to be used or consumed in the performance of any activity defined as a "sale at retail" or "retail sale" even though such property is resold or used as provided in (a)(i) through (vi) of this subsection following such use.

(c) The term also means every sale of tangible personal property to persons engaged in any business that is taxable under RCW 82.04.280(1) (a), (b), and (g), 82.04.290, and 82.04.2908.

(2) The term "sale at retail" or "retail sale" includes the sale of or charge made for tangible personal property consumed and/or for labor and services rendered in respect to the following:

(a) The installing, repairing, cleaning, altering, imprinting, or improving of tangible personal property of or for consumers, including charges made for the mere use of facilities in respect thereto, but excluding charges made for the use of self-service laundry facilities, and also excluding sales of laundry service to nonprofit health care facilities, and excluding services rendered in respect to live animals, birds and insects;

(b) The constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for consumers, including the installing or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation, and also includes the sale of services or charges made for the clearing of land and the moving of earth excepting the mere leveling of land used in commercial farming or agriculture;

(c) The constructing, repairing, or improving of any structure upon, above, or under any real property owned by an owner who conveys the property by title, possession, or any other means to the person performing such construction, repair, or improvement for the purpose of performing such construction, repair, or improvement and the property is then reconveyed by title, possession, or any other means to the original owner;

(d) The cleaning, fumigating, razing, or moving of existing buildings or structures, but does not include the charge made for janitorial services; and for purposes of this section the term "janitorial services" means those cleaning and caretaking services ordinarily performed by commercial janitor service businesses including, but not limited to, wall and window washing, floor cleaning and waxing, and the cleaning in place of rugs, drapes and upholstery. The term "janitorial services" does not include painting, papering, repairing, furnace or septic tank cleaning, snow removal or sandblasting;

(e) Automobile towing and similar automotive transportation services, but not in respect to those required to report and pay taxes under chapter 82.16 RCW;

(f) The furnishing of lodging and all other services by a hotel, rooming house, tourist court, motel, trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property, and it is presumed that the occupancy of real property for a continuous period of one month or more constitutes a rental or lease of real property and not a mere license to use or enjoy the same. For the purposes of this subsection, it is presumed that the sale of and charge made for the furnishing of lodging for a continuous period of one month or more to a person is a rental or lease of real property and not a mere license to enjoy the same;

(g) The installing, repairing, altering, or improving of digital goods for consumers;

(h) Persons taxable under (a), (b), (c), (d), (e), (f), and (g) of this subsection when such sales or charges are for property, labor and services which are used or consumed in whole or in part by such persons in the performance of any activity defined as a "sale at retail" or "retail sale" even though such property, labor and services may be resold after such use or consumption. Nothing contained in this subsection may be construed to modify subsection (1) of this section and nothing contained in subsection (1) of this section may be construed to modify this subsection.

(3) The term "sale at retail" or "retail sale" includes the sale of or charge made for personal, business, or professional services including amounts designated as interest, rents, fees, admission, and other service emoluments however designated, received by persons engaging in the following business activities:

- (a) Abstract, title insurance, and escrow services;
- (b) Credit bureau services;
- (c) Automobile parking and storage garage services;

(d) Landscape maintenance and horticultural services but excluding (i) horticultural services provided to farmers and (ii) pruning, trimming, repairing, removing, and clearing of trees and brush near electric transmission or distribution lines or equipment, if performed by or at the direction of an electric utility;

(e) Service charges associated with tickets to professional sporting events;

(f) The following personal services: Tanning salon services, tattoo parlor services, steam bath services, turkish bath services, escort services, and dating services; and

(g)(i) Operating an athletic or fitness facility, including all charges for the use of such a facility or for any associated services and amenities, except as provided in (g)(ii) of this subsection.

(ii) Notwithstanding anything to the contrary in (g)(i) of this subsection (3), the term "sale at retail" and "retail sale" under this subsection does not include:

(A) Separately stated charges for the use of an athletic or fitness facility where such use is primarily for a purpose other than engaging in or receiving instruction in a physical fitness activity;

(B) Separately stated charges for the use of a discrete portion of an athletic or fitness facility, other than a pool, where such discrete portion of the facility does not by itself meet the definition of "athletic or fitness facility" in this subsection;

(C) Separately stated charges for services, such as advertising, massage, nutritional consulting, and body composition testing, that do not require the customer to engage in physical fitness activities to receive the service. The exclusion in this subsection (3)(g)(i)(C) does not apply to personal training services and instruction in a physical fitness activity;

(D) Separately stated charges for physical therapy provided by a physical therapist, as those terms are defined in RCW 18.74.010, or occupational therapy provided by an occupational therapy practitioner, as those terms are defined in RCW 18.59.020, when performed pursuant to a referral from an authorized health care practitioner or in consultation with an authorized health care practitioner. For the purposes of this subsection (3)(g)(ii)(D), an authorized health care practitioner means a health care practitioner licensed under chapter 18.83, 18.25, 18.36A, 18.57, 18.57A, 18.71, or 18.71A RCW;

(E) Rent or association fees charged by a landlord or residential association to a tenant or residential owner with access to an athletic or fitness facility maintained by the landlord or residential association, unless the rent or fee varies depending on whether the tenant or owner has access to the facility;

(F) Services provided in the regular course of employment by an employee with access to an athletic or fitness facility maintained by the employer for use without charge by its employees or their family members;

(G) The provision of access to an athletic or fitness facility by an educational institution to its students and staff. However, charges made by an educational institution to its alumni or other members of the public for the use of any of the educational institution's athletic or fitness facilities are a retail sale under this subsection (3)(g). For purposes of this subsection (3)(g)(ii)(G), "educational institution" has the same meaning as in RCW 82.04.170; ((and))

(H) Yoga, ((tai chi, or)) chi gong, or martial arts classes, training, or events held at a community center, park, <u>school</u> gymnasium, college or university,

hospital or other medical facility, private residence, or any <u>other</u> facility that is not ((primarily used for physical fitness activities other than yoga, tai ehi, or ehi gong elasses)) operated within and as part of an athletic or fitness facility.

(iii) Nothing in (g)(ii) of this subsection (3) may be construed to affect the taxation of sales made by the operator of an athletic or fitness facility, where such sales are defined as a retail sale under any provision of this section other than this subsection (3).

(iv) For the purposes of this subsection (3)(g), the following definitions apply:

(A) "Athletic or fitness facility" means an indoor or outdoor facility or portion of a facility that is primarily used for: Exercise classes; strength and conditioning programs; personal training services; tennis, racquetball, handball, squash, or pickleball; ((yoga; boxing, kiekboxing, wrestling, martial arts, or mixed martial arts training;)) or other activities requiring the use of exercise or strength training equipment, such as treadmills, elliptical machines, stair climbers, stationary cycles, rowing machines, pilates equipment, balls, climbing ropes, jump ropes, and weightlifting equipment.

(B) "Martial arts" means any of the various systems of training for physical combat or self-defense. "Martial arts" includes, but is not limited to, karate, kung fu, tae kwon do, Krav Maga, boxing, kickboxing, jujitsu, shootfighting, wrestling, aikido, judo, hapkido, Kendo, tai chi, and mixed martial arts.

(<u>C</u>) "Physical fitness activities" means activities that involve physical exertion for the purpose of improving or maintaining the general fitness, strength, flexibility, conditioning, or health of the participant. "Physical fitness activities" includes participating in yoga, chi gong, or martial arts.

(4)(a) The term also includes the renting or leasing of tangible personal property to consumers.

(b) The term does not include the renting or leasing of tangible personal property where the lease or rental is for the purpose of sublease or subrent.

(5) The term also includes the providing of "competitive telephone service," "telecommunications service," or "ancillary services," as those terms are defined in RCW 82.04.065, to consumers.

(6)(a) The term also includes the sale of prewritten computer software to a consumer, regardless of the method of delivery to the end user. For purposes of (a) and (b) of this subsection, the sale of prewritten computer software includes the sale of or charge made for a key or an enabling or activation code, where the key or code is required to activate prewritten computer software and put the software into use. There is no separate sale of the key or code from the prewritten computer software, regardless of how the sale may be characterized by the vendor or by the purchaser.

(b) The term "retail sale" does not include the sale of or charge made for:

(i) Custom software; or

(ii) The customization of prewritten computer software.

(c)(i) The term also includes the charge made to consumers for the right to access and use prewritten computer software, where possession of the software is maintained by the seller or a third party, regardless of whether the charge for the service is on a per use, per user, per license, subscription, or some other basis.

(ii)(A) The service described in (c)(i) of this subsection (6) includes the right to access and use prewritten computer software to perform data processing.

(B) For purposes of this subsection (6)(c)(ii), "data processing" means the systematic performance of operations on data to extract the required information in an appropriate form or to convert the data to usable information. Data processing includes check processing, image processing, form processing, survey processing, payroll processing, claim processing, and similar activities.

(7) The term also includes the sale of or charge made for an extended warranty to a consumer. For purposes of this subsection, "extended warranty" means an agreement for a specified duration to perform the replacement or repair of tangible personal property at no additional charge or a reduced charge for tangible personal property, labor, or both, or to provide indemnification for the replacement or repair of tangible personal property, based on the occurrence of specified events. The term "extended warranty" does not include an agreement, otherwise meeting the definition of extended warranty in this subsection, if no separate charge is made for the agreement and the value of the agreement is included in the sales price of the tangible personal property covered by the agreement. For purposes of this subsection, "sales price" has the same meaning as in RCW 82.08.010.

(8)(a) The term also includes the following sales to consumers of digital goods, digital codes, and digital automated services:

(i) Sales in which the seller has granted the purchaser the right of permanent use;

(ii) Sales in which the seller has granted the purchaser a right of use that is less than permanent;

(iii) Sales in which the purchaser is not obligated to make continued payment as a condition of the sale; and

(iv) Sales in which the purchaser is obligated to make continued payment as a condition of the sale.

(b) A retail sale of digital goods, digital codes, or digital automated services under this subsection (8) includes any services provided by the seller exclusively in connection with the digital goods, digital codes, or digital automated services, whether or not a separate charge is made for such services.

(c) For purposes of this subsection, "permanent" means perpetual or for an indefinite or unspecified length of time. A right of permanent use is presumed to have been granted unless the agreement between the seller and the purchaser specifies or the circumstances surrounding the transaction suggest or indicate that the right to use terminates on the occurrence of a condition subsequent.

(9) The term also includes the charge made for providing tangible personal property along with an operator for a fixed or indeterminate period of time. A consideration of this is that the operator is necessary for the tangible personal property to perform as designed. For the purpose of this subsection (9), an operator must do more than maintain, inspect, or set up the tangible personal property.

(10) The term does not include the sale of or charge made for labor and services rendered in respect to the building, repairing, or improving of any street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state or by the United States and which is used or to be used primarily for foot or vehicular traffic including mass transportation vehicles of any kind.

(11) The term also does not include sales of chemical sprays or washes to persons for the purpose of postharvest treatment of fruit for the prevention of scald, fungus, mold, or decay, nor does it include sales of feed, seed, seedlings, fertilizer, agents for enhanced pollination including insects such as bees, and spray materials to: (a) Persons who participate in the federal conservation reserve program, the environmental quality incentives program, the wetlands reserve program, and the wildlife habitat incentives program, or their successors administered by the United States department of agriculture; (b) farmers for the purpose of providing bee pollination services; and (d) farmers acting under cooperative habitat development or access contracts with an organization exempt from federal income tax under 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code or the Washington state department of fish and wildlife to produce or improve wildlife habitat on land that the farmer owns or leases.

(12) The term does not include the sale of or charge made for labor and services rendered in respect to the constructing, repairing, decorating, or improving of new or existing buildings or other structures under, upon, or above real property of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to chapter 35.82 RCW, including the installing, or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation. Nor does the term include the sale of services or charges made for the clearing of land and the moving of earth of or for the United States, any instrumentality thereof, or a county or city housing authority. Nor does the term include the sale of services or charges made for the united states, radioactive waste and other by-products of weapons production and nuclear research and development.

(13) The term does not include the sale of or charge made for labor, services, or tangible personal property pursuant to agreements providing maintenance services for bus, rail, or rail fixed guideway equipment when a regional transit authority is the recipient of the labor, services, or tangible personal property, and a transit agency, as defined in RCW 81.104.015, performs the labor or services.

(14) The term does not include the sale for resale of any service described in this section if the sale would otherwise constitute a "sale at retail" and "retail sale" under this section.

(15)(a) The term "sale at retail" or "retail sale" includes amounts charged, however labeled, to consumers to engage in any of the activities listed in this subsection (15)(a), including the furnishing of any associated equipment or, except as otherwise provided in this subsection, providing instruction in such activities, where such charges are not otherwise defined as a "sale at retail" or "retail sale" in this section:

(i)(A) Golf, including any variant in which either golf balls or golf clubs are used, such as miniature golf, hitting golf balls at a driving range, and golf simulators, and including fees charged by a golf course to a player for using his or her own cart. However, charges for golf instruction are not a retail sale, provided that if the instruction involves the use of a golfing facility that would otherwise require the payment of a fee, such as green fees or driving range fees, such fees, including the applicable retail sales tax, must be separately identified and charged by the golfing facility operator to the instructor or the person receiving the instruction.

(B) Notwithstanding (a)(i)(A) of this subsection (15) and except as otherwise provided in this subsection (15)(a)(i)(B), the term "sale at retail" or "retail sale" does not include amounts charged to participate in, or conduct, a golf tournament or other competitive event. However, amounts paid by event participants to the golf facility operator are retail sales under this subsection (15)(a)(i). Likewise, amounts paid by the event organizer to the golf facility are retail sales under this subsection (15)(a)(i), if such amounts vary based on the number of event participants;

(ii) Ballooning, hang gliding, indoor or outdoor sky diving, paragliding, parasailing, and similar activities;

(iii) Air hockey, billiards, pool, foosball, darts, shuffleboard, ping pong, and similar games;

(iv) Access to amusement park, theme park, and water park facilities, including but not limited to charges for admission and locker or cabana rentals. Discrete charges for rides or other attractions or entertainment that are in addition to the charge for admission are not a retail sale under this subsection (15)(a)(iv). For the purposes of this subsection, an amusement park or theme park is a location that provides permanently affixed amusement rides, games, and other entertainment, but does not include parks or zoos for which the primary purpose is the exhibition of wildlife, or fairs, carnivals, and festivals as defined in (b)(i) of this subsection;

(v) Batting cage activities;

(vi) Bowling, but not including competitive events, except that amounts paid by the event participants to the bowling alley operator are retail sales under this subsection (15)(a)(vi). Likewise, amounts paid by the event organizer to the operator of the bowling alley are retail sales under this subsection (15)(a)(vi), if such amounts vary based on the number of event participants;

(vii) Climbing on artificial climbing structures, whether indoors or outdoors;

(viii) Day trips for sightseeing purposes;

(ix) Bungee jumping, zip lining, and riding inside a ball, whether inflatable or otherwise;

(x) Horseback riding offered to the public, where the seller furnishes the horse to the buyer and providing instruction is not the primary focus of the activity, including guided rides, but not including therapeutic horseback riding provided by an instructor certified by a nonprofit organization that offers national or international certification for therapeutic riding instructors;

(xi) Fishing, including providing access to private fishing areas and charter or guided fishing, except that fishing contests and license fees imposed by a government entity are not a retail sale under this subsection;

(xii) Guided hunting and hunting at game farms and shooting preserves, except that hunting contests and license fees imposed by a government entity are not a retail sale under this subsection;

(xiii) Swimming, but only in respect to (A) recreational or fitness swimming that is open to the public, such as open swim, lap swimming, and special events like kids night out and pool parties during open swim time, and (B) pool parties for private events, such as birthdays, family gatherings, and employee outings. Fees for swimming lessons, to participate in swim meets and other competitions, or to join a swim team, club, or aquatic facility are not retail sales under this subsection (15)(a)(xiii);

(xiv) Go-karting, bumper cars, and other motorized activities where the seller provides the vehicle and the premises where the buyer will operate the vehicle;

(xv) Indoor or outdoor playground activities, such as inflatable bounce structures and other inflatables; mazes; trampolines; slides; ball pits; games of tag, including laser tag and soft-dart tag; and human gyroscope rides, regardless of whether such activities occur at the seller's place of business, but not including playground activities provided for children by a licensed child day care center or licensed family day care provider as those terms are defined in RCW 43.215.010;

(xvi) Shooting sports and activities, such as target shooting, skeet, trap, sporting clays, "5" stand, and archery, but only in respect to discrete charges to members of the public to engage in these activities, but not including fees to enter a competitive event, instruction that is entirely or predominately classroom based, or to join or renew a membership at a club, range, or other facility;

(xvii) Paintball and airsoft activities;

(xviii) Skating, including ice skating, roller skating, and inline skating, but only in respect to discrete charges to members of the public to engage in skating activities, but not including skating lessons, competitive events, team activities, or fees to join or renew a membership at a skating facility, club, or other organization;

(xix) Nonmotorized snow sports and activities, such as downhill and crosssnowboarding, ski jumping, sledding, skiing, snow tubing, country snowshoeing, and similar snow sports and activities, whether engaged in outdoors or in an indoor facility with or without snow, but only in respect to discrete charges to the public for the use of land or facilities to engage in nonmotorized snow sports and activities, such as fees, however labeled, for the use of ski lifts and tows and daily or season passes for access to trails or other areas where nonmotorized snow sports and activities are conducted. However, fees for the following are not retail sales under this subsection (15)(a)(xix): (A) Instructional lessons; (B) permits issued by a governmental entity to park a vehicle on or access public lands; and (C) permits or leases granted by an owner of private timberland for recreational access to areas used primarily for growing and harvesting timber; and

(xx) Scuba diving; snorkeling; river rafting; surfing; kiteboarding; flyboarding; water slides; inflatables, such as water pillows, water trampolines, and water rollers; and similar water sports and activities.

(b) Notwithstanding anything to the contrary in this subsection (15), the term "sale at retail" or "retail sale" does not include charges:

(i) Made for admission to, and rides or attractions at, fairs, carnivals, and festivals. For the purposes of this subsection, fairs, carnivals, and festivals are events that do not exceed twenty-one days and a majority of the amusement rides, if any, are not affixed to real property;

(ii) Made by an educational institution to its students and staff for activities defined as retail sales by (a)(i) through (xx) of this subsection. However, charges made by an educational institution to its alumni or other members of the general public for these activities are a retail sale under this subsection (15). For purposes of this subsection (15)(b)(ii), "educational institution" has the same meaning as in RCW 82.04.170;

(iii) Made by a vocational school for commercial diver training that is licensed by the workforce training and education coordinating board under chapter 28C.10 RCW; or

(iv) Made for day camps offered by a nonprofit organization or state or local governmental entity that provide youth not older than age eighteen, or that are focused on providing individuals with disabilities or mental illness, the opportunity to participate in a variety of supervised activities.

<u>NEW SECTION.</u> Sec. 1202. RCW 82.32.805 and 82.32.808 do not apply to this part.

# Part XIII

## Leasehold Excise Credits and Exemptions for Colleges and Universities

<u>NEW SECTION.</u> Sec. 1301. (1) This section is the tax preference performance statement for the tax preference provided in section 1302, chapter . . ., Laws of 2017 3rd sp. sess. (section 1302 of this act). The performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to reduce structural inefficiencies in the state tax structure, as indicated in RCW 82.32.808(2)(d).

(3) It is the legislature's specific public policy objective to reduce the leasehold excise tax for certain taxpayers where the amount of leasehold excise tax exceeds what would be owed in property taxes if the property was owned by the taxpayer.

(4) To measure the effectiveness of the tax preference provided in section 1302, chapter . . ., Laws of 2017 3rd sp. sess. (section 1302 of this act) in achieving the specific public policy objective described in subsection (3) of this section, the joint legislative audit and review committee must determine the amount of leasehold excise tax paid by taxpayers claiming the credit under section 1302 of this act in comparison to the amount of leasehold excise taxes or property taxes paid by a sample of taxpayers occupying property geographically proximate to taxpayers claiming the credit under section 1302 of this act. The amount of leasehold excise tax or property tax must be expressed in dollars per thousand dollars of assessed value and any other way the joint legislative audit and review committee deems necessary to clearly convey the data.

(5)(a) The information provided by taxpayers to the department of revenue and publicly available property tax data is intended to provide the informational basis for the evaluation under subsection (4) of this section.

(b) In addition to the data source described under (a) of this subsection, the joint legislative audit and review committee may use any other data it deems necessary in performing the evaluation under subsection (4) of this section.

(6) The amount of credit reported by a taxpayer to the department is not confidential tax information under RCW 82.32.330 and is subject to disclosure.

Sec. 1302. RCW 82.29A.120 and 2013 c 235 s 3 are each amended to read as follows:

(1)(a) After computation of the taxes imposed pursuant to RCW 82.29A.030 and 82.29A.040, the following credits are allowed in determining the tax payable:

(((1))) (i) For lessees and sublessees who would qualify for a property tax exemption under RCW 84.36.381 if the property were privately owned, the tax otherwise due after this credit ((shall)) <u>must</u> be reduced by a percentage equal to the percentage reduction in property tax that would result from the property tax exemption under RCW 84.36.381; and

 $(((\frac{2})))$  (ii) A credit of thirty-three percent of the tax otherwise due is allowed with respect to a product lease.

(b)(i) For a leasehold interest in real property owned by a state university, a credit is allowed equal to the amount that the tax under this chapter exceeds the property tax that would apply if the real property were privately owned by the taxpayer.

(ii) The credit under this subsection (1)(b) is available only if the tax parcel that is subject to the leasehold interest has a market value in excess of ten million dollars. If the leasehold interest attaches to two or more parcels, the credit is available if at least one of the tax parcels has a market value in excess of ten million dollars. In either case, the market value must be determined as of January 1st of the year prior to the year for which the credit is claimed.

(iii) For purposes of calculating the credit under this subsection (1)(b):

(A) If a tax parcel does not have current assessed value in accordance with RCW 84.40.020, a market value appraisal performed by a Washington statecertified general real estate appraiser, as defined in RCW 18.140.010, is sufficient to establish the market value. If the underlying real property that is the subject of the leasehold interest consists of a part of one or more tax parcels, this appraisal must include the market value of the part of the parcel or parcels to which the leasehold interest applies; and

(B) The property tax that would otherwise apply to the real property that is the subject of the leasehold interest is calculated using the existing consolidated levy rate for the property's tax code area.

(iv) The definitions in this subsection apply throughout this subsection (1)(b) unless the context clearly requires otherwise.

(A) "Market value" means the true and fair value of the property as that term is used in RCW 84.40.030, based on the property's highest and best use and determined by any reasonable means approved by the department.

(B) "Real property" has the same meaning as in RCW 84.04.090 and also includes all improvements upon the land the fee of which is still vested in the public owner.

(C) "State university" has the same meaning as "state universities" as provided in RCW 28B.10.016.

(v) The credit provided under this subsection (1)(b) may not be claimed for tax reporting periods beginning on or after January 1, 2032.

(2) This section expires January 1, 2032.

**Sec. 1303.** RCW 82.29A.130 and 2008 c 194 s 1 and 2008 c 84 s 2 are each reenacted and amended to read as follows:

The following leasehold interests ((shall be)) are exempt from taxes imposed pursuant to RCW 82.29A.030 and 82.29A.040:

(1) All leasehold interests constituting a part of the operating properties of any public utility which is assessed and taxed as a public utility pursuant to chapter 84.12 RCW.

(2) All leasehold interests in facilities owned or used by a school, college or university which leasehold provides housing for students and which is otherwise exempt from taxation under provisions of RCW 84.36.010 and 84.36.050.

(3) All leasehold interests of subsidized housing where the fee ownership of such property is vested in the government of the United States, or the state of Washington or any political subdivision thereof but only if income qualification exists for such housing.

(4) All leasehold interests used for fair purposes of a nonprofit fair association that sponsors or conducts a fair or fairs which receive support from revenues collected pursuant to RCW 67.16.100 and allocated by the director of the department of agriculture where the fee ownership of such property is vested in the government of the United States, the state of Washington or any of its political subdivisions((: PROVIDED, That)). However, this exemption ((shall))) does not apply to the leasehold interest of any sublessee of such nonprofit fair association if such leasehold interest would be taxable if it were the primary lease.

(5) All leasehold interests in any property of any public entity used as a residence by an employee of that public entity who is required as a condition of employment to live in the publicly owned property.

(6) All leasehold interests held by enrolled Indians of lands owned or held by any Indian or Indian tribe where the fee ownership of such property is vested in or held in trust by the United States and which are not subleased to other than to a lessee which would qualify pursuant to this chapter, RCW 84.36.451 and 84.40.175.

(7) All leasehold interests in any real property of any Indian or Indian tribe, band, or community that is held in trust by the United States or is subject to a restriction against alienation imposed by the United States((: PROVIDED; That)). However, this exemption ((shall apply)) applies only where it is determined that contract rent paid is greater than or equal to ninety percent of fair market rental, to be determined by the department of revenue using the same criteria used to establish taxable rent in RCW 82.29A.020(2)(((b))) (g).

(8) All leasehold interests for which annual taxable rent is less than two hundred fifty dollars per year. For purposes of this subsection leasehold interests held by the same lessee in contiguous properties owned by the same lessor ((shall be)) are deemed a single leasehold interest.

(9) All leasehold interests which give use or possession of the leased property for a continuous period of less than thirty days: PROVIDED, That for purposes of this subsection, successive leases or lease renewals giving substantially continuous use of possession of the same property to the same lessee ((shall be)) are deemed a single leasehold interest: PROVIDED FURTHER, That no leasehold interest ((shall be)) is deemed to give use or possession for a period of less than thirty days solely by virtue of the reservation

by the public lessor of the right to use the property or to allow third parties to use the property on an occasional, temporary basis.

(10) All leasehold interests under month-to-month leases in residential units rented for residential purposes of the lessee pending destruction or removal for the purpose of constructing a public highway or building.

(11) All leasehold interests in any publicly owned real or personal property to the extent such leasehold interests arises solely by virtue of a contract for public improvements or work executed under the public works statutes of this state or of the United States between the public owner of the property and a contractor.

(12) All leasehold interests that give use or possession of state adult correctional facilities for the purposes of operating correctional industries under RCW 72.09.100.

(13) All leasehold interests used to provide organized and supervised recreational activities for persons with disabilities of all ages in a camp facility and for public recreational purposes by a nonprofit organization, association, or corporation that would be exempt from property tax under RCW 84.36.030(1) if it owned the property. If the publicly owned property is used for any taxable purpose, the leasehold excise taxes set forth in RCW 82.29A.030 and 82.29A.040 ((shall)) <u>must</u> be imposed and ((shall)) <u>must</u> be apportioned accordingly.

(14) All leasehold interests in the public or entertainment areas of a baseball stadium with natural turf and a retractable roof or canopy that is in a county with a population of over one million, that has a seating capacity of over forty thousand, and that is constructed on or after January 1, 1995. "Public or entertainment areas" include ticket sales areas, ramps and stairs, lobbies and concourses, parking areas, concession areas, restaurants, hospitality and stadium club areas, kitchens or other work areas primarily servicing other public or entertainment areas, public rest room areas, press and media areas, control booths, broadcast and production areas, retail sales areas, museum and exhibit areas, scoreboards or other public displays, storage areas, loading, staging, and servicing areas, seating areas and suites, the playing field, and any other areas to which the public has access or which are used for the production of the entertainment event or other public usage, and any other personal property used for these purposes. "Public or entertainment areas" does not include locker rooms or private offices exclusively used by the lessee.

(15) All leasehold interests in the public or entertainment areas of a stadium and exhibition center, as defined in RCW 36.102.010, that is constructed on or after January 1, 1998. For the purposes of this subsection, "public or entertainment areas" has the same meaning as in subsection (14) of this section, and includes exhibition areas.

(16) All leasehold interests in public facilities districts, as provided in chapter 36.100 or 35.57 RCW.

(17) All leasehold interests in property that is: (a) Owned by the United States government or a municipal corporation; (b) listed on any federal or state register of historical sites; and (c) wholly contained within a designated national historic reserve under 16 U.S.C. Sec. 461.

(18) All leasehold interests in the public or entertainment areas of an amphitheater if a private entity is responsible for one hundred percent of the cost

of constructing the amphitheater which is not reimbursed by the public owner, both the public owner and the private lessee sponsor events at the facility on a regular basis, the lessee is responsible under the lease or agreement to operate and maintain the facility, and the amphitheater has a seating capacity of over seventeen thousand reserved and general admission seats and is in a county that had a population of over three hundred fifty thousand, but less than four hundred twenty-five thousand when the amphitheater first opened to the public.

For the purposes of this subsection, "public or entertainment areas" include box offices or other ticket sales areas, entrance gates, ramps and stairs, lobbies and concourses, parking areas, concession areas, restaurants, hospitality areas, kitchens or other work areas primarily servicing other public or entertainment areas, public rest room areas, press and media areas, control booths, broadcast and production areas, retail sales areas, museum and exhibit areas, scoreboards or other public displays, storage areas, loading, staging, and servicing areas, seating areas including lawn seating areas and suites, stages, and any other areas to which the public has access or which are used for the production of the entertainment event or other public usage, and any other personal property used for these purposes. "Public or entertainment areas" does not include office areas used predominately by the lessee.

(19) All leasehold interests in real property used for the placement of military housing meeting the requirements of RCW 84.36.665.

(20) All leasehold interests in facilities owned or used by a community college or technical college, which leasehold interest provides:

(a) Food services for students, faculty, and staff;

(b) The operation of a bookstore on campus; or

(c) Maintenance, operational, or administrative services to the community college or technical college.

<u>NEW SECTION.</u> Sec. 1304. The provisions of RCW 82.32.805 and 82.32.808 do not apply to section 1303 of this act.

### Part XIV

#### **Miscellaneous Provisions**

<u>NEW SECTION.</u> Sec. 1401. Section 201 of this act expires on the date that section 202 of this act takes effect.

<u>NEW SECTION.</u> Sec. 1402. Parts III and X of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2017.

<u>NEW SECTION</u>. Sec. 1403. Sections 401 and 402 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 June 30, 2017.

<u>NEW SECTION.</u> Sec. 1404. Sections 201, 203, 204, 205, 403, 503, 506, 508, 510, 512, 514, 516, 518, 520, 522, 524, 526, 703, 705, and 707 of this act and parts I and VIII of this act take effect January 1, 2018.

<u>NEW SECTION.</u> Sec. 1405. Sections 502, 505, 507, 509, 511, 513, 515, 517, 519, 521, 523, and 525 of this act expire January 1, 2018.

<u>NEW SECTION.</u> Sec. 1406. (1) Part I of this act expires January 1, 2028, if a review by the joint legislative audit and review committee under section 101 of this act finds that the number of businesses that are a part of main street communities is not equal to or more than the number that were a part of main street communities prior to the enactment of the tax preference in section 103, chapter . . ., Laws of 2017 3rd sp. sess. (section 103 of this act).

(2) The joint legislative audit and review committee must provide written notice of the expiration date of part I 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 committee.

<u>NEW SECTION.</u> Sec. 1407. (1)(a) Except as provided in (b) of this subsection, part VII of this act expires July 1, 2027.

(b)(i) If a person must make repayment under section 708 of this act, part VII of this act expires January 1, 2024.

(ii) Section 706 of this act expires January 1, 2018.

(2) If the contingent expiration date in subsection (1)(b) of this section occurs, the department of revenue must provide written notice of the expiration date of part VII 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.

(3) If the contingent expiration date in subsection (1)(b) of this section occurs, the joint legislative audit and review committee is not required to perform the evaluation required in section 701 of this act.

<u>NEW SECTION.</u> Sec. 1408. Sections 1301 and 1302 of this act take effect January 1, 2022.

Passed by the Senate June 30, 2017.

Passed by the House July 1, 2017.

Approved by the Governor July 7, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 7, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 201-205 and 601-606, Substitute Senate Bill No. 5977 entitled:

"AN ACT Relating to revenue."

Sections 201 to 205 reduce the general manufacturing business and occupation tax rate and the processing hire rate over four years, beginning in 2019. But at a time when we are asking homeowners to pay more in property taxes to support our children's education, Sections 201 to 205 instead give a tax break to business; and, 21 percent of the revenue from this tax break goes to out-of-state oil companies. This revenue could be used for education, mental health, public safety, and a host of other important public services.

Moreover, these tax reductions should be considered in a thoughtful, transparent process that incorporates public input and business accountability.

Sections 601 to 606 make sales and use tax exemptions to encourage the conversion of power plants to natural gas or biomass from coal. These sections incentivize a company to do something that it is already required to do by law, giving it an unfair advantage over other Washington companies.

For these reasons I have vetoed Sections 201-205 and 601-606 of Substitute Senate Bill No. 5977.

With the exception of Sections 201-205 and 601-606, Substitute Senate Bill No. 5977 is approved."

# AUTHENTICATION

I, K. Kyle Thiessen, Code Reviser of the State of Washington, certify that, with the exception of such corrections as I have made in accordance with the powers vested in me by RCW 44.20.060, the laws published in this volume are a true and correct reproduction of the copies of the enrolled laws of the 2017 third special session (65th Legislature), chapters 2 through 37, as certified and transmitted to the Statute Law Committee by the Secretary of State under RCW 44.20.020.

IN TESTIMONY WHEREOF, I have hereunto set my hand at Olympia, Washington, this 15th day of August, 2017.

K. Kyle Chiesse

K. KYLE THIESSEN Code Reviser

## BILL NO. TO CHAPTER NO. OF 2017 STATUTES

Number	Chapter Laws o			Number	Chapte Laws	r Nun of 20	
T	725 1			CD	5144 (1		
Init	7351			SB	5144 61		
Init	14332			SSB	5152 263		
Init	1491			SB	5162 35		
Init	1501			ESSB	5173 318		
•	on Citizens'			SB	5177 216		
	ion on Salaries			SSB	5185 36		
for Electe	d Officials 1	E1		SB	5187 37		
	CENT A DE			SSB	5196 217		
	SENATE			ESSB	5198 319		
ESB	5008			SB	5200 121		
SB	5011			SSB	5207 38		
SSB	5012			SB	5227 87		
SSB	5018			ESB	5234 179		
SSB	5022154			SSB	5235 62		
ESB	50236			SB	5237 39		
SB	5030			SSB	5241 40		
SSB	5031			SB	5244 41		
SSB	5035			SB	5252 15	E3	
SB	5036			E2SSB	5254 16	E3	
SB	5037		PV	ESSB	5256 233		
SB	5039			2SSB	5258 180		
SB	5040			SB	5261 63		
ESB	5042			SSB	5262 88		
SSB	5046			SB	5268 282		
SB	5049			SB	5270 64		
SSB	5051			SSB	5272 128		
SSB	5069			SB	5274 181		
SB	5075			SSB	5277 42		
SSB	5077			2SSB	5285 182		
SSB	50795			SSB	5289 334		PV
SSB	5081			SSB	5301 258		
SSB	5083			ESSB	5303 17	E3	
SB	5085			SB	5306 89		
ESB	5096		PV	ESB	5316 25	E3	
ESB	5097			SSB	5322 320		
SSB	5100			SSB	5327 183		
2ESSB	510614	E3		SB	5331 321		
2SSB	5107	20		SB	5336 283		
SB	5118			ESSB	5338 218		
SB	5119			SSB	5343 43		
SB	5122			SSB	5346 322		
SB	5125			2SSB	5347 156		
ESB	5128			SSB	5356 65		
SB	5129			SSB	5357 162		
SB	5130			SSB	5358 323		
ESSB	5131			SB	5359 184		
SSB	5133			SSB	5366 157		
SSB	5138			SSB	5372 66		
SSB	5142			SSB	5374 44		
555	5172						

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Number	Chapter 1 Laws o		Number	Chapte Laws		
SD	5282 122		ECD	57(1 71		
SB ESSB	5382		ESB	5761		
ESSB SB	5388		SB SSB	5764		
SSB	5391		SB	5778 191		
SSB	5402		SSB	5779 226		PV
SB	5413		SSB	5790		PV
SSB	5435		SSB	5806		1 V
SB	5436		ESSB	5808		
SB	5437		ESSB	5810 125		
ESSB	5449		SB	5813 126		
SB	5454		SSB	5815 228		
ESSB	5470		SB	5826 127		
SSB	5472		ESB	5834 229		
2SSB	5474		SSB	5835 294		
SSB	5481		SSB	583773		
SB	5488		SB	5849 192		
SSB	5514		2ESB	5867	E3	
3ESB	5517	E3	SSB	58831	E3	PV
SSB	5537		2ESSB	5890	E3	PV
SB	554367		ESSB	5898	E3	
2SSB	5546		SSB	5901 22	E3	
ESSB	5552		SB	5924 35	E3	PV
SSB	5573		ESSB	5939 36	E3	
SB	5581		ESSB	59473	E3	
SSB	5589		ESSB	59654	E3	
SB	5595		SB	596923	E3	
SSB	5605	E3	SSB	59755	E3	
SSB	5618		SB	597624	E3	
ESSB	5628		SSB	5977 37	E3	PV
SB	5631			HOUGE		
SB	5632			HOUSE		
SB SB	5635		HB	1001 19		
SSB	5644		SHB	1010		
ESB	5646	E3	ESHB	1017 129		PV
ESB	5647	L3	HB SHB	1018		
SB	5649			1027		
SB	5661		SHB SHB	103650 1038238		
SB	5662		НВ	1038	E3	
ESB	5665		SHB	1042	Е3	
SB	5674		SHB	1045		
SSB	5675		HB	1064		
SB	5691		HB	1071		
SSB	5705		SHB	1079		
SSB	5713		SHB	1086		
SB	5715		HB	1091		
SB	5734		SHB	1100		
SB	5736		ESHB	1105 333		
ESSB	5751		HB	1107 52		

Number	Chapter 1 Laws o		Number		r Number of 2017
ESHB	1109		SHB	1346 84	
ESHB	1109	PV	E2SHB	1340 84	
2SHB	1113	PV	HB	1352 243	
SHB	1120		SHB	1352 243	
SHB	1121		E2SHB	1358 273	
ESHB	1136		SHB	1369 97	
HB	1130	E3	E2SHB	1375 98	
HB	1140	L3	HB	1395 136	
SHB	1148		HB	1400 11	
ESHB	1153		HB	1401 99	
E2SHB	1163		2SHB	1402 268	
HB	1166		HB	1406 27	E3
2SHB	1170		SHB	1411 100	25
SHB	1176		SHB	1417 137	
SHB	1183		SHB	1420 46	
SHB	1185		ESHB	1427 297	
SHB	1189		ESHB	1427 207	
HB	1195		SHB	1444 166	
HB	1198		SHB	1445 236	
SHB	1190		HB	1449 102	
SHB	1200		EHB	1450 102	
EHB	1200		SHB	1462 138	
HB	1204		SHB	1464 245	
SHB	1218		ESHB	1465 246	
SHB	1234		SHB	1467 196	
SHB	1235		HB	1475 111	
EHB	1248		SHB	1477 298	
HB	1250 131		ESHB	1481 197	
SHB	1257		ESHB	1489 104	
SHB	1258		SHB	1490 139	
HB	1262 132		ESHB	1493 299	
SHB	1266		SHB	1501 261	
SHB	1273194		ESHB	1503 105	
HB	1274133		EHB	1507 300	
SHB	1275		SHB	1515 112	
HB	1278108		SHB	1520 198	
SHB	1279		SHB	1521 167	
HB	1281 134		SHB	1526 301	
HB	1283109		HB	1530 168	
HB	1285		ESHB	1531 140	
ESHB	1296 135		ESHB	1538 302	
SHB	1314		SHB	1543 234	
SHB	1320		ESHB	1547 199	
EHB	1322		ESHB	1548 200	
HB	132910		SHB	1568 25	
HB	1337		HB	1593 113	
2SHB	1338110		ESHB	1594 303	
E2SHB	1341	E3 PV	EHB	1595 304	
SHB	1344		ESHB	1597 8	E3

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Number	Chapter N Laws of		Number	Chapter Number Laws of 2017
SHB E2SHB E2SHB HB	1605	PV	SHB HB HB SHB	1820148 1829149 183218 183826
HB EHB HB SHB	1616	E3	SHB HB SHB SHB	1845
SHB HB SHB EHB	1626		SHB SHB HB HB EHB	1902
EHB 2E2SHB SHB	1648       .142         1654       .14         1661       .6         1671       .201         1672       .170	E3	HB SHB HB	1931       118         1944       255         1959       119
HB ESHB SHB HB	$ \begin{array}{cccccccccccccccccccccccccccccccccccc$	E3 PV	HB HB SHB EHB	1965
E2SHB E2SHB ESHB HB	1711	E3	EHB ESHB SHB HB	2005
SHB HB ESHB HB	1717		HB SHB HB EHB	2052
HB EHB HB HB	$ \begin{array}{cccccccccccccccccccccccccccccccccccc$		SHB ESHB SHB EHB	21067 2126257 2138176 216328 E3
SHB ESHB SHB SHB	1738		EHB SHB HB ESHB	2190
HB SHB HB SHB	1754		ESHB EHB HB	2224
E2SHB HB E2SHB ESHB ESHB	$\begin{array}{cccccccccccccccccccccccccccccccccccc$	E3		
SHB ESHB SHB SHB E2SHB	1813			

## LEGEND

	LEGE	ND		RCW		CH.	SEC.
ADD	= A	dd a new sect	ion	9.35.005	AMD	4	3
AMD		end existing		9.35.020	AMD	4	5
DECD		dify existing		9.41	ADD	261	1
RECD		dify existing		9.41.010	AMD	264	1
REEN		nact existing		9.41.040	AMD	233	4
REMD		enact and am		9.41.070	AMD	74	1
REP		beal existing		9.41.070	AMD	174	1
RE1	Rej	Sear existing	14 **	9.41.070	AMD	282	1
RCW		CH.	SEC.	9.41.113	AMD	262	2
1	ADD	106	1-13	9.41.173	AMD	174	2
1.20.017	AMD	79	1-15	9.46	ADD	111	1
2.32.050	AMD	183	1	9.46.0209	AMD	133	1
	AMD	83	1	9.68A.050	AMD	126	3
2.42.050 2.43.050	AMD	83	2	9.68A.060	AMD	126	4
	REP	25 E3	27	9.68A.070	AMD	126	2
2.56.031		25 E3 25 E3	27	9.68A.100	AMD	231	3
2.56.250	REP		29 4	9.68A.101	AMD	231	4
2.72	ADD	268	4	9.91.170	AMD	170	1
3.62.060	AMD	2 E3	-	9.94A.411	REMD	266	5
3.72.005	AMD	9	1	9.94A.411	REMD	200	2
3.72.010	AMD	9	2	9.94A.515	REMD	266	8
3.72.020	AMD	9	3	9.94A.515 9.94A.515	REMD	200	10
3.72.030	AMD	9	4	9.94A.515 9.94A.515	REMD	292	3
3.72.040	AMD	9	5	9.94A.515 9.94A.515	REMD	335	4
4.12.040	AMD	42	1		AMD	272	3
4.12.050	AMD	42	2	9.94A.525	REMD		5 1
4.24	ADD	227	1-4	9.96.060		128 272	9
4.24	ADD	284	3	9.96.060	REMD		
4.24.210	AMD	245	1	9.96.060	REMD	336	2
4.24.595	AMD	6 E3	301	9.96.070	AMD	128	2
5.45.920	DECD	25 E3	28	9.96A.060	AMD	6 E3	805
7	ADD	3	1-16	9.97.020	AMD	6 E3	806
7.36	ADD	272	6	9.97.020	AMD	281	35
7.68.020	AMD	235	1	9A.04.080	AMD	125	1
7.68.030	AMD	235	2	9A.04.080	AMD	231	2
7.68.031	AMD	235	3	9A.04.080	AMD	266	9
7.68.062	AMD	235	4	9A.36.041	AMD	272	1
7.68.070	AMD	235	5	9A.40	ADD	230	1-4
7.68.080	REMD	235	6	9A.40.100	AMD	126	1
7.68.111	AMD	235	7	9A.42.020	AMD	266	2
7.68.801	AMD	18	1	9A.42.030	AMD	266	3
7.70.065	AMD	275	1	9A.42.035	AMD	266	4
7.90.120	AMD	233	1	9A.44.115	AMD	292	1
7.90.121	AMD	233	2	9A.44.130	AMD	174	3
7.90.170	AMD	233	3	9A.44.142	AMD	86	1
8.26.010	AMD	213	1	9A.44.143	AMD	86	2
8.26.035	AMD	12	1	9A.48.070	AMD	283	1
8.26.045	AMD	12	2	9A.48.080	AMD	283	2
8.26.055	AMD	12	3	9A.52	ADD	284	1,2
9.04.040	REP	25 E3	29	9A.56	ADD	266	6
9.35.001	AMD	4	4	9A.56.010	AMD	266	7

RCW		CH.	SEC.	RCW		CH.	SEC.
9A.56.030	AMD	266	10	13.40.020	REMD	6 E3	605
9A.56.040	AMD	266	11	13.40.040	AMD	6 E3	606
9A.56.350	AMD	329	1	13.40.045	AMD	6 E3	607
9A.56.360	AMD	224	1	13.40.070	AMD	292	2
9A.88	ADD	230	5-8	13.40.185	AMD	6 E3	608
9A.88.060	AMD	231	5	13.40.210	AMD	6 E3	609
9A.88.110	AMD	232	1	13.40.220	AMD	6 E3	610
10	ADD	114	2	13.40.280	REMD	6 E3	611
10.19.160	AMD	78	1	13.40.285	AMD	6 E3	612
10.27.170	AMD	114	3	13.40.300	AMD	6 E3	613
10.31.100	REMD	223	1	13.40.310	AMD	6 E3	614
10.31.100	REMD	336	3	13.40.320	AMD	6 E3	615
10.77.810	REP	25 E3	27	13.40.460	AMD	6 E3	616
10.77.820	REP	25 E3	27	13.40.462	AMD	6 E3	617
10.77.900	DECD	25 E3	26	13.40.464	AMD	6 E3	618
10.77.920	DECD	25 E3		13.40.466	AMD	6 E3	619
10.77.930	DECD	25 E3		13.40.468	AMD	6 E3	620
11	ADD	29	1-8	13.40.510	AMD	6 E3	621
11.88.120	AMD	271	2	13.40.520	AMD	6 E3	622
11.92	ADD	268	1	13.40.540	AMD	6 E3	623
11.92.043	AMD	268	3	13.40.560	AMD	6 E3	624
13	ADD	279	1-9	13.40.800	DECD	6 E3	820
13.04.011	AMD	6 E3		13.50.010	AMD	6 E3	312
13.04.011	AMD	276	1	13.50.010	REMD	277	1
13.04.030	REMD	6 E3		13.50.100	AMD	6 E3	313
13.04.035	AMD	278	1	13.50.140	AMD	6 E3	314
13.04.116	AMD	6 E3		13.60.010	AMD	6 E3	315
13.04.145	AMD	6 E3		13.60.040	AMD	6 E3	316
13.06.020	AMD	6 E3		13.64.030	AMD	6 E3	317
13.06.030	AMD	6 E3		13.64.050	AMD	6 E3	318
13.06.040	AMD	6 E3		14.20.060	AMD	25 E3	48
13.06.050	AMD	6 E3		15	ADD	317	18-23
13.16.100	AMD	6 E3		15.15.900	DECD	25 E3	4
13.32A.030	AMD	6 E3		15.49.071	AMD	33	1
13.32A.178	AMD	6 E3		15.49.081	REP	33	3
13.34	ADD	20 E3		15.49.091	AMD	33	2
13.34.030	AMD	6 E3		15.49.101	REP	33	3
13.34.030	REMD	276	2	15.49.111	REP	33	3
13.34.090	AMD	6 E3		15.49.920	DECD	25 E3	4
13.34.096	AMD	6 E3		15.49.950	DECD	25 E3	4
13.34.100	AMD	99	2	15.51.900	DECD	25 E3	4
13.34.110	AMD	6 E3		15.54.930	DECD	25 E3	4
13.34.136	AMD	6 E3		15.58.900	DECD	25 E3	4
13.34.141	AMD	6 E3		15.58.901	DECD	25 E3	4
13.34.180	AMD	6 E3		15.58.943	DECD	25 E3	4
13.34.820	AMD	6 E3		15.80.300	AMD	158	1
13.36.020	REMD	6 E3		15.80.310	REP	158	16
13.36.020	REMD	6 E3		15.80.320	REP	158	16
13.38.040	AMD	6 E3		15.80.330	REP	158	16
		0 20					

15.80.350REP1581618.74ADD1081-315.80.360REP1581618.74.050AMD108615.80.300REP1581618.74.050AMD108615.80.300REP1581618.74.050AMD108615.80.400REP1581618.79.380REP203115.80.410AMD158218.85.011AMD59115.80.440AMD158318.108.050AMD77115.80.470AMD158418.120.020REMD3361915.80.470AMD158618.130.410AMD336915.80.470AMD158618.205.040REP226915.80.500AMD158718.235.010AMD2813615.80.500AMD158818.235.020AMD2813715.80.500AMD1581118.360.020AMD3361615.80.600REP1581618.360.030AMD3361615.80.600AMD1581519.02.110AMD3361715.80.600AMD1581519.02.110AMD3361615.80.600AMD1581519.02.110AMD3361615.80.600AMD1581419ADD29 <t< th=""><th>RCW</th><th></th><th>CH.</th><th>SEC.</th><th>RCW</th><th></th><th>CH.</th><th>SEC.</th></t<>	RCW		CH.	SEC.	RCW		CH.	SEC.
15.80.370       REP       158       16       18.74.090       AMD       108       5         15.80.380       REP       158       16       18.74.150       AMD       108       6         15.80.400       REP       158       16       18.79       ADD       297       8         15.80.400       REP       158       16       18.79.380       REP       203       1         15.80.400       AMD       158       2       18.85.011       AMD       59       1         15.80.400       AMD       158       3       18.108.050       AMD       336       19         15.80.400       AMD       158       6       18.205.040       REP       226       9         15.80.500       AMD       158       7       18.235.010       AMD       281       36         15.80.500       AMD       158       9       18.206.010       AMD       36       14         15.80.500       AMD       158       11       18.360.020       AMD       36       16         15.80.600       REP       158       16       18.360.020       AMD       36       17         15.80.600       AMD	15.80.350	REP	158	16	18.74	ADD	108	1-3
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	15.80.360	REP	158	16	18.74.050	AMD	108	4
15.80.390       REP       158       16       18.79.380       REP       297       8         15.80.400       REP       158       16       18.79.380       REP       203       1         15.80.410       AMD       158       2       18.85.011       AMD       59       1         15.80.440       AMD       158       3       18.108.050       AMD       77       1         15.80.470       AMD       158       4       18.120.020       REMD       336       18         15.80.470       AMD       158       5       18.130.410       AMD       336       9         15.80.500       AMD       158       6       18.205.040       REP       226       9         15.80.501       AMD       158       7       18.235.020       AMD       281       37         15.80.500       AMD       158       10       18.350       ADD       5       7         15.80.600       REP       158       16       18.360.010       AMD       366       16         15.80.660       AMD       158       15       19.02.110       AMD       36       17         15.80.660       AMD	15.80.370	REP	158	16	18.74.090	AMD	108	5
15.80.400       REP       158       16       18.79.380       REP       203       1         15.80.440       AMD       158       2       18.85.011       AMD       59       1         15.80.440       AMD       158       3       18.108.050       AMD       77       1         15.80.450       AMD       158       4       18.102.020       REMD       336       19         15.80.480       AMD       158       5       18.130.410       AMD       336       9         15.80.490       AMD       158       6       18.205.040       REP       226       9         15.80.501       AMD       158       7       18.235.010       AMD       281       37         15.80.500       AMD       158       9       18.260.110       AMD       36       14         15.80.500       AMD       158       11       18.360.020       AMD       36       16         15.80.600       REP       158       16       18.360.030       AMD       36       16         15.80.660       AMD       158       15       19.02.110       AMD       38       3         15.80.660       AMD	15.80.380	REP	158	16	18.74.150	AMD	108	6
15.80.400       REP       158       16       18.79.380       REP       203       1         15.80.440       AMD       158       2       18.85.011       AMD       59       1         15.80.440       AMD       158       3       18.108.050       AMD       77       1         15.80.450       AMD       158       4       18.102.020       REMD       336       19         15.80.480       AMD       158       5       18.130.410       AMD       336       9         15.80.490       AMD       158       6       18.205.040       REP       226       9         15.80.501       AMD       158       7       18.235.010       AMD       281       37         15.80.500       AMD       158       9       18.260.110       AMD       36       14         15.80.500       AMD       158       11       18.360.020       AMD       36       16         15.80.600       REP       158       16       18.360.030       AMD       36       16         15.80.660       AMD       158       15       19.02.110       AMD       38       3         15.80.660       AMD	15.80.390	REP	158	16	18.79	ADD	297	8
15.80.410       AMD       158       2       18.85.011       AMD       59       1         15.80.450       AMD       158       3       18.108.050       AMD       77       1         15.80.450       AMD       158       4       18.120.020       REMD       336       18         15.80.470       AMD       158       5       18.130.410       AMD       336       18         15.80.470       AMD       158       6       18.205.040       REP       226       9         15.80.510       AMD       158       7       18.235.010       AMD       281       36         15.80.50       AMD       158       8       18.235.020       AMD       281       36         15.80.50       AMD       158       10       18.350       ADD       5       7         15.80.50       AMD       158       11       18.360.010       AMD       336       16         15.80.600       RMD       158       12       18.360.020       AMD       336       17         15.80.600       AMD       158       14       19       ADD       29       2.5         15.80.600       AMD <td< td=""><td></td><td></td><td></td><td>16</td><td>18.79.380</td><td></td><td></td><td></td></td<>				16	18.79.380			
15.80.440       AMD       158       3       18.108.050       AMD       77       1         15.80.470       AMD       158       4       18.120.020       REMD       336       19         15.80.470       AMD       158       5       18.130.440       AMD       336       9         15.80.480       AMD       158       6       18.205.040       REP       226       9         15.80.501       AMD       158       7       18.235.010       AMD       281       36         15.80.502       AMD       158       8       18.235.020       AMD       281       37         15.80.500       AMD       158       11       18.360.010       AMD       36       14         15.80.500       AMD       158       11       18.360.020       AMD       36       16         15.80.600       REP       158       16       18.360.030       AMD       36       16         15.80.660       AMD       158       13       18.360.010       AMD       38       3         15.80.660       AMD       158       15       19.02.110       AMD       138       3         15.80.660       AMD<								1
15.80.450       AMD       158       4       18.120.020       REMD       336       19         15.80.480       REP       158       16       18.130.040       AMD       336       9         15.80.480       REP       158       16       18.130.040       AMD       336       9         15.80.490       AMD       158       6       18.205.040       REP       226       9         15.80.500       AMD       158       7       18.235.010       AMD       281       37         15.80.500       AMD       158       9       18.260.110       AMD       5       6         15.80.500       AMD       158       11       18.360.010       AMD       336       14         15.80.500       AMD       158       13       18.360.020       AMD       336       16         15.80.600       REP       158       16       18.360.020       AMD       336       17         15.80.660       AMD       158       13       18.360.040       AMD       336       17         15.80.660       AMD       158       15       19.02.110       AMD       338       31         16.52       AD								
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15.80.490       AMD       158       6       18.205.040       REP       226       9         15.80.510       AMD       158       7       18.235.010       AMD       281       36         15.80.520       AMD       158       8       18.235.020       AMD       281       37         15.80.530       AMD       158       9       18.260.110       AMD       5       7         15.80.540       AMD       158       10       18.350       ADD       5       7         15.80.560       AMD       158       11       18.360.020       AMD       336       15         15.80.640       AMD       158       12       18.360.020       AMD       336       17         15.80.660       AMD       158       13       18.360.040       AMD       336       17         15.80.660       AMD       158       14       19       ADD       232       701         16.80.650       AMD       158       15       19.02.110       AMD       323       701         16.52.01       ADD       317       9.10       19.02.15       AMD       231       1         16.52.01       REM								
15.80.510       AMD       158       7       18.235.010       AMD       281       36         15.80.520       AMD       158       8       18.235.020       AMD       281       37         15.80.540       AMD       158       9       18.260.110       AMD       5       6         15.80.540       AMD       158       11       18.350       ADD       5       7         15.80.560       AMD       158       12       18.360.010       AMD       336       14         15.80.640       AMD       158       12       18.360.020       AMD       336       16         15.80.640       AMD       158       16       18.360.040       AMD       336       16         15.80.660       AMD       158       14       19       ADD       299       2-5         15.80.660       AMD       158       15       19.02.110       AMD       138       3         15.120       ADD       317       9.10       19.02.115       AMD       233       11         16.52       ADD       65       1       19.30.010       AMD       251       1         16.67.035       AMD       2								
15.80.520       AMD       158       8       18.235.020       AMD       281       37         15.80.530       AMD       158       9       18.260.110       AMD       5       6         15.80.560       AMD       158       10       18.350       ADD       5       7         15.80.560       AMD       158       11       18.360.020       AMD       336       14         15.80.600       REP       158       16       18.360.020       AMD       336       16         15.80.600       AMD       158       13       18.360.040       AMD       336       17         15.80.660       AMD       158       14       19       ADD       299       2-5         15.80.660       AMD       158       15       19.02.110       AMD       138       3         15.120       ADD       317       9,10       19.02.115       AMD       231       1         16.52       ADD       65       1       19.30.010       AMD       253       1         16.52       ADD       256       1       19.40.011       AMD       57       1         16.52.011       REMD       65								
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15.80.540       AMD       158       10       18.350       ADD       5       7         15.80.560       AMD       158       11       18.360.010       AMD       336       14         15.80.600       REP       158       16       18.360.020       AMD       336       16         15.80.640       AMD       158       13       18.360.040       AMD       336       17         15.80.650       AMD       158       14       19       ADD       299       2-5         15.80.660       AMD       158       15       19.02.110       AMD       336       17         16.52       ADD       317       9.10       19.02.115       AMD       323       701         16.52       ADD       65       1       19.30.010       AMD       253       1         16.52       ADD       65       2       19.440       ADD       271       10-12         16.67.03       AMD       256       2       19.40.021       AMD       57       1         16.67.091       AMD       256       2       19.40.021       AMD       57       4         18.20       ADD       22								
15.80.560       AMD       158       11       18.360.010       AMD       336       14         15.80.590       AMD       158       12       18.360.020       AMD       336       15         15.80.600       REP       158       16       18.360.030       AMD       336       16         15.80.650       AMD       158       14       19       ADD       299       2-5         15.80.660       AMD       158       15       19.02.110       AMD       138       3         15.120       ADD       317       9,10       19.02.115       AMD       323       701         16       ADD       257       1-4       19.27       ADD       132       1         16.52       ADD       65       2       19.34.340       AMD       281       38         16.67       ADD       256       5       19.40       ADD       57       10-12         16.67.091       AMD       256       1       19.40.011       AMD       57       2         16.67.091       AMD       256       1       19.40.021       AMD       57       3         16.67.10       AMD       256								
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18.20.310       AMD       201       1       19.40.061       AMD       57       6         18.22       ADD       22       1       19.40.071       AMD       57       7         18.22       ADD       297       2       19.40.081       AMD       57       8         18.27       ADD       11       E3       1       19.40.091       AMD       57       9         18.27       ADD       11       E3       1       19.40.091       AMD       57       9         18.29       180       AMD       5       4       19.40.900       AMD       57       13         18.32       ADD       297       3       19.60       ADD       169       4         18.32       ADD       320       3,4       19.60.010       REMD       169       1         18.32.030       AMD       5       5       19.60.020       AMD       169       2         18.32.040       REMD       100       1       19.60.55       AMD       169       3         18.32.0575       AMD       320       2       19.85.030       AMD       53       1         18.57.003       AMD <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>								
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18.57AADD297519.122.140AMD20218.71ADD297619.122.150AMD20318.71.095AMD45119.154.060AMD2813918.71AADD297719.230ADD307,21								
18.71ADD297619.122.150AMD20318.71.095AMD45119.154.060AMD2813918.71AADD297719.230ADD307,21								
18.71.095AMD45119.154.060AMD2813918.71AADD297719.230ADD307,21								
18.71A ADD 297 7 19.230 ADD 30 7,21								
18.73.150 AMD 70 1 19.230.010 AMD 30 1								
	18.73.150	AMD	70	1	19.230.010	AMD	30	1

RCW		CH.	SE	C. RCW		CH		SEC.
19.230.020	AMD	30	2	26.34.030	AMD	6	E3	330
19.230.030	AMD	30	3	26.34.040	AMD	6	E3	331
19.230.040	AMD	30	2		AMD	6	E3	321
19.230.050	AMD	30	4	26.44.030	AMD	6	E3	322
19.230.070	AMD	30	(		AMD	20	E3	24
19.230.100	AMD	30	8		AMD	118		1
19.230.110	AMD	30	ç		AMD	6	E3	323
19.230.130	AMD	30	10		AMD	6	E3	324
19.230.140	AMD	30	11		AMD	6	E3	325
19.230.150	AMD	30	12		AMD	269		2
19.230.152	AMD	30	13		AMD	6	E3	326
19.230.180	AMD	30	14		AMD	6	E3	327
19.230.190	AMD	30	15		REMD	230	20	9
19.230.200	AMD	30	16		AMD	6	E3	334
19.230.200	AMD	30	17		AMD	6	E3	335
19.230.250	AMD	30	18		REP	25	E3	29
19.230.290	AMD	30	19		ADD	134	LJ	2)
19.230.320	AMD	30	20		AMD	134		1
19.230.320	AMD	30	22		AMD	117		1
19.285.030	AMD	315	22		AMD	117		2
19.285.030	AMD	315	2		ADD	237		1-12
19.285.040	AMD	315	2		ADD	13	E2 1	1-12
	AMD		1		ADD	15		104,103
21.20.880	REP	113 113	2					409,501
21.20.883	REP		2			12	E3	413
21.20.886 23.95.235		113 31				13 13	E3	413
	AMD	31	2			237	ЕĴ	401
23.95.255	AMD	31	2				E3	506
23.95.530 23B	AMD ADD	28	1-8			13 13	E3	402
		28 28	12				E3	402 906
23B.01.400	REMD					13		
23B.01.570	AMD	31	4			6	E3	215
23B.02	ADD	28	9			13	E3	406
23B.07.050	AMD	28	13			13	E3	407
23B.07.300	AMD	28	15			13	E3	101
23B.07.320	AMD	28	16			6	E3	336
23B.11.040	AMD	28	17			6	E3	216
23B.12.010	AMD	28	10			13	E3	403
23B.12.020	AMD	28	11			13	E3	404
23B.13.020	AMD	28	14			13	E3	405
23B.19.020	AMD	28	18		ADD	236		4
25.05.500	AMD	31	4			123	-	1
26.04.050	AMD	130	1				E3	412
26.09.191	AMD	234	2				E3	720
26.09.231	AMD	183	2				E3	721
26.10.135	AMD		E3 333			6	E3	722
26.18.230	AMD	183	3			6	E3	723
26.26	ADD	234	1				E3	724
26.33.020	AMD		E3 319		ADD	84		2
26.33.170	AMD	234	3		ADD	186		1
26.33.345	AMD	6	E3 320	28A.210.070	AMD	6	E3	217

RCW		CH.		SEC.	RCW		CH.		SEC.
28A.210.260	AMD	186		2	28A.400.280	AMD	13	E3	815
28A.215	ADD	180		1	28A.400.303	AMD	6	E3	220
28A.215.020	AMD	6	E3	218	28A.400.303	AMD	33	E3	1
28A.220	ADD	197		4,5	28A.400.305	AMD	33	E3	2
28A.220.020	AMD	197		2	28A.400.350	AMD	13	E3	816
28A.220.030	AMD	197		3	28A.410	ADD	26	E3	1
28A.220.050	REP	197		14	28A.410	ADD	237		14
28A.220.060	REP	197		14	28A.410.010	AMD	6	E3	221
28A.220.080	REP	197		14	28A.410.010	AMD	33	E3	3
28A.220.085	REP	197		14	28A.410.062	AMD	237		16
28A.225.010	AMD	6	E3	630	28A.410.090	AMD	33	E3	4
28A.225.015	AMD	291		1	28A.410.200	AMD	189		1
28A.225.020	AMD	291		2	28A.410.210	AMD	26	E3	2
28A.225.025	AMD	291		3	28A.410.250	AMD	26	E3	3
28A.225.026	AMD	291		4	28A.410.270	AMD	26	E3	4
28A.225.030	AMD	291		6	28A.410.271	AMD	34		1
28A.225.090	AMD	291		5	28A.415	ADD	13	E3	108
28A.225.115	REP	291		10	28A.415.310	REP	237		22
28A.225.151	AMD	291		7	28A.500	ADD	13	E3	206
28A.230	ADD	80		1	28A.500.010	AMD	13	E3	205
28A.230.090	AMD	31	E3	4	28A.500.020	REP	13	E3	207
28A.232	ADD	291		9	28A.500.030	REP	13	E3	207
28A.250.070	AMD	291		8	28A.500.050	AMD	13	E3	208
28A.300	ADD	13	E34	10,411	28A.500.050	RECD	13	E3	211
28A.300	ADD	236		3	28A.505	ADD	13	E3	204
28A.300	ADD	237		13	28A.505.040	AMD	13	E3	604
28A.300.035	AMD	17		1	28A.505.050	AMD	13	E3	605
28A.300.600	RECD	13	E3	108	28A.505.060	AMD	13	E3	606
28A.300.602	RECD	13	E3	108	28A.505.100	AMD	13	E3	603
28A.300.604	RECD	13	E3	108	28A.505.140	AMD	13	E3	602
28A.305.130	AMD	31	E3	3	28A.510.250	AMD	13	E3	1004
28A.305.900	REP	25	E3	8	28A.545.030	AMD	13	E3	1001
28A.305.901	REP	25	E3	8	28A.545.070	AMD	13	E3	1002
28A.315.075	DECD	25	E3	7	28A.630	ADD	202		6
28A.320	ADD	13	E3	504	28A.630	ADD	236		2
28A.320.125	AMD	165		1	28A.630.005	REP	25	E3	8
28A.320.147	REP	275		2	28A.630.400	AMD	237		17
28A.320.191	AMD	6	E3	219	28A.650	ADD	90		4
28A.320.192	AMD	40		1	28A.650.010	AMD	90		1
28A.320.192	AMD	166		1	28A.650.045	AMD	90		2
28A.320.330	AMD	13	E3	601	28A.655.061	AMD	31	E3	1
28A.400	ADD	13	E3 50	05,703	28A.655.061	AMD	31	E3	5
				904	28A.655.065	AMD		E3	2
28A.400	ADD	33	E3	5	28A.655.068	AMD	31	E3	6
28A.400.200	AMD		E3	103	28A.660.020	AMD	14		1
28A.400.201	REP		E3	8	28A.660.035	AMD	14		2
28A.400.205	AMD		E3	102	28A.660.040	REP	14		3
28A.400.270	AMD		E3	813	28A.660.042	AMD	237		19
28A.400.275	AMD	7	E3	1	28A.710.300	AMD	60		1
28A.400.275	AMD	13	E3	814	28B.10	ADD	154		2
		10							-

RCW		CH.	SEC.	RCW		CH.	SEC.
28B.10	ADD	179	2	28C.18.060	AMD	39	4
28B.12.030	AMD	52	1	28C.18.150	AMD	39	5
28B.15.012	AMD	191	1	28C.18.164	AMD	39	6
28B.15.0139	AMD	52	2	29A.04.510	AMD	25 E3	31
28B.15.210	AMD	1 E3	952	29A.04.903	DECD	25 E3	20
28B.15.310	AMD	1 E3	953	29A.04.905	DECD	25 E3	20
28B.15.621	AMD	127	1	29A.36.071	AMD	328	4
28B.20.744	AMD	124	1	29A.40.160	AMD	327	1
28B.30	ADD	202	9	29A.60.235	AMD	300	1
28B.35.370	AMD	1 E3	954	29A.84.540	AMD	283	3
28B.45.010	AMD	52	3	30A.24.080	REP	25 E3	14
28B.45.012	AMD	52	4	31.04.185	REP	25 E3	14
28B.45.014	AMD	52	5	31.04.501	REP	25 E3	14
28B.45.020	AMD	52	6	31.12.005	REMD	61	1
28B.45.0201	AMD	52	7	31.12.055	AMD	61	2
28B.45.030	AMD	52	8	31.12.065	AMD	61	3
28B.45.040	AMD	52	9	31.12.195	AMD	61	4
28B.45.080	AMD	52	10	31.12.246	AMD	61	5
28B.50	ADD	98	2	31.12.267	AMD	61	6
28B.50	ADD	120	2	31.12.326	AMD	61	7
28B.50.281	AMD	39	1	31.12.335	AMD	61	8
28B.50.360	AMD	1 E3	955	31.12.386	AMD	61	9
28B.50.535	AMD	93	1	31.12.404	AMD	61	10
28B.50.820	AMD	52	11	31.12.413	AMD	61	11
28B.50.891	AMD	237	20	31.12.436	REEN	61	12
28B.65.010	REP	25 E3	25	31.45.095	REP	25 E3	14
28B.65.020	REP	25 E3	25	34.05.514	AMD	52	12
28B.65.030	REP	25 E3	25	35	ADD	209	1-10
28B.65.040	REP	25 E3	25	35.13A.0301	REP	25 E3	21
28B.65.050	REP	25 E3	25	35.21	ADD	119	3
28B.65.060	REP	25 E3	25	35.21.920	AMD	332	1
28B.65.070	REP	25 E3	25	35.21.930	AMD	273	2
28B.65.080	REP	25 E3	25	35.61.020	AMD	215	1
28B.65.110	REP	25 E3	25	35.61.040	AMD	215	6
28B.65.900	REP	25 E3	25	35.61.100	AMD	215	2
28B.65.905	REP	25 E3	25	35.61.120	AMD	215	3
28B.67.020	AMD	21	1	35.61.130	AMD	332	4
28B.67.030	AMD	21	2	35.61.180	AMD	215	7
28B.67.902	REP	21	3	35.61.210	AMD	215	4
28B.76	ADD	1 E3	956	35.61.290	AMD	215	5
28B.76.502	AMD	177	1	35.98.020	DECD	25 E3	20
28B.77.100	AMD	172	2	35.98.050	DECD	25 E3	20
28B.95.092	AMD	1 E3	957	35.102.130	AMD	323	511
28B.112	ADD	72	2	35A.21	ADD	119	4
28B.115.070	AMD	1 E3	958	35A.21.370	AMD	332	2
28B.118.010	AMD	20 E3	11	35A.39.010	AMD	25 E3	32
28B.122.050	AMD	1 E3	959	35A.90.030	DECD	25 E3	20
28C.04.410	REMD	39	2	35A.90.040	DECD	25 E3	20
28C.04.535	AMD	1 E3	960	36.01	ADD	119	5
28C.18.010	AMD	39	3	36.01.300	AMD	332	3
200.10.010	11110	57	5	50.01.500	11110	552	5

RCW		CH.		SEC.	RCW		CH.		SEC.
36.18.018	AMD	2	E3	2	41.05.021	AMD	13	E3	803
36.18.020	AMD	2	E3	3	41.05.022	AMD	13	E3	804
36.22.175	AMD	303		7	41.05.026	AMD	13	E3	805
36.22.179	AMD	16	E3	5	41.05.050	AMD	13	E3	806
36.28A	ADD	261		2	41.05.055	AMD	13	E3	807
				4-6	41.05.075	AMD	13	E3	808
36.28A	ADD	290		1	41.05.120	REMD	13	E3	809
36.28A.370	AMD	336		12	41.05.130	AMD	13	E3	810
36.32.210	AMD	37		1	41.05.143	AMD	13	E3	811
36.32.310	REP	37		2	41.05.230	REP	25	E3	23
36.70A	ADD	16	E3	3	41.05.655	REP	25	E3	23
36.70A	ADD	32	E3	1	41.05.670	AMD	13	E3	812
36.70A	ADD	105		1	41.05.700	AMD	219		2
36.70A	ADD	129		2,3	41.06	ADD	6	E3	105
36.70A.030	AMD		E3	2	41.06.475	AMD	6	E3	807
36.70A.060	AMD	18	E3	3	41.26	ADD	309		2,3
36.70A.070	AMD	16	E3	4	41.26.030	AMD	309		1
36.70A.070	AMD		E3	4	41.26.450	AMD	1	E3	963
36.70A.070	AMD	331		2	41.26.802	AMD	1	E3	964
36.70A.108	AMD		E3	5	41.37	ADD	143		2
36.70A.110	AMD	305		1	41.56	ADD	13	E3 7	01,704
36.70A.115	AMD		E3	1	41.56.030	AMD	6	E3	808
36.70A.215	AMD	16	E3	2	41.56.500	AMD	13	E3	817
36.70A.725	AMD	1	E3	961	41.56.510	AMD	6	E3	809
36.71.090	AMD	8	E3	56	41.58.900	DECD	25	E3	5
36.72.075	AMD	37	20	3	41.58.901	DECD	25	E3	5
36.86.100	AMD	87		4	41.59	ADD	13		02,705
38.52	ADD	295		3	41.59.105	AMD	13	E3	818
38.52	ADD	312		2,5	41.59.935	AMD	13	E3	706
38.52.010	REMD	312		3	41.60.050	AMD	1	E3	965
38.52.070	AMD	312		4	41.80	ADD	23	E3	2
38.52.105	AMD	1	E3	962	41.80.010	AMD	23	E3	3
38.52.180	AMD	36	15	1	42	ADD	281	20	1-32
39.04.350	AMD	258		2			201		44
39.08.010	AMD	75		1	42.17A.705	REMD	6	E3	111
39.10.270	AMD	211		1	42.30	ADD	25	E3	30
39.10.420	AMD	136		1	42.30.110	AMD	137	20	1
39.26.160	AMD	258		3	42.32.030	RECD	25	E3	30
39.26.200	AMD		E3	996	42.40.010	AMD	44	20	1
40	ADD	306	20	1,2	42.40.020	AMD	44		2
40.14	ADD	303		6	42.44.010	REP	281		34
40.14.024	AMD	303		5	42.44.020	REP	281		34
41.04	ADD		E3	12	42.44.030	REP	281		34
41.04	ADD	173	15	2	42.44.050	REP	281		34
41.04.007	AMD	97		1	42.44.060	REP	281		34
41.04.010	AMD	97		2	42.44.070	REP	281		34
41.04.665	AMD	173		1	42.44.070	REP	281		34
41.04.005	ADD		E3	801	42.44.080	REP	281		34 34
41.05.011	REMD	13	E3	801	42.44.100	REP	281		34
41.05.011			E3 E3	23	42.44.100				34 34
+1.05.019	REP	23	ЕЭ	23	42.44.110	REP	281		34

RCW		CH.	SEC.	RCW		CH.	SEC.
42.44.120	REP	281	34	43.01.040	AMD	167	1
42.44.130	REP	281	34	43.01.040	AMD	168	1
42.44.140	REP	281	34	43.01.041	AMD	167	3
42.44.150	REP	281	34	43.01.044	AMD	167	2
42.44.160	REP	281	34	43.03.011	AMD	1 E1	1
42.44.170	REP	281	34	43.03.012	AMD	1 E1	2
42.44.180	REP	281	34	43.03.013	AMD	1 E1	3
42.44.190	REP	281	34	43.06A.030	AMD	6 E3	112
42.44.200	REP	281	34	43.06A.060	AMD	6 E3	812
42.44.210	REP	281	34	43.06A.070	AMD	6 E3	813
42.44.220	REP	281	34	43.06A.100	AMD	6 E3	810
42.44.221	REP	281	34	43.08.190	AMD	1 E3	966
42.44.900	REP	281	34	43.09	ADD	13 E3	503
42.44.901	REP	281	34	43.09	ADD	53	4
42.44.903	REP	281	34	43.09	ADD	66	2
42.52	ADD	322	4	43.09.310	AMD	66	1
42.52.180	AMD	322 7	4	43.09.475	AMD	1 E3	967
42.52.180	AMD	7	3	43.10	ADD	163	1-3
42.52.185	ADD	4	8	43.10	ADD	294	3
42.56			25			6 E3	814
	ADD	195		43.15.020 43.17	AMD	0 E3 4	10
42.56 42.56.010	ADD	246	3		ADD		
	AMD	303		43.17.010	AMD	6 E3	109
42.56.070	AMD	304	1	43.17.020	AMD	6 E3	110
42.56.080	AMD	304	2	43.19.003	AMD	318	1
42.56.120	AMD	304	3	43.19.642	AMD	313	703
42.56.130	AMD	304	4	43.19.782	AMD	318	2
42.56.152	AMD	303	2	43.19.783	AMD	318	3
42.56.230	REMD	6 1		43.20A.090	AMD	6 E3	811
42.56.240	REMD	72	3	43.20A.360	AMD	6 E3	328
42.56.240	REMD	261	7	43.20A.780	REP	6 E3	819
42.56.250	AMD	16	1	43.20A.850	REP	6 E3	819
42.56.250	AMD	38	1	43.20B.430	AMD	269	3
42.56.270	REMD	317	17	43.20B.435	AMD	269	4
42.56.330	AMD	333	6	43.20B.635	AMD	269	5
42.56.400	REMD	30 1		43.21A.150	AMD	47	2
42.56.400	REMD	193	2	43.21A.731	AMD	27	1
42.56.420	AMD	149	1	43.21C	ADD	289	2
42.56.430	AMD	71	1	43.21C.440	AMD	16 E3	7
42.56.430	AMD	246	1	43.22	ADD	11 E3	2
42.56.520	AMD	303	3	43.22A.190	AMD	10	1
42.56.550	AMD	304	5	43.24.150	AMD	281	40
42.56.570	AMD	303	4	43.30	ADD	280	1
42.56.901	DECD	25 1		43.30.111	AMD	104	2
42.56.902	DECD	25 1		43.30.325	REMD	248	4
42.56.903	DECD	25 1		43.30.8351	REP	25 E3	35
43	ADD	6 1	E3 101,104	43.31	ADD	1 E3	949
			106-108	43.31	ADD	12 E3	2-11
			114	43.31.088	REP	25 E3	38
			801-803	43.31.522	REP	25 E3	38
43	ADD	225	1-10	43.31.524	REP	25 E3	38

RCW		CH.		SEC.	RCW		CH.		SEC.
43.31.800	REP	25	E3	38	43.70	ADD	220		1
43.31.805	REP	25	E3	38	43.70	ADD	262		3,5
43.31.810	REP	25	E3	38	43.70	ADD	273		3
43.31.820	REP	25	E3	38	43.70	ADD	294		5
43.31.830	REP	25	E3	38	43.70	ADD	295		2
43.31.832	REP		E3	38	43.70.250	AMD	195		26
43.31.833	REP		E3	38	43.70.320	AMD	108		7
43.31.834	REP		E3	38	43.70.442	AMD	262		4
43.31.840	REP		E3	38	43.70.445	AMD	262		2
43.31.850	REP		E3	38	43.70.900	AMD	25	E3	24
43.31A.400	DECD		E3	37	43.79	ADD	74	20	2
43.41	ADD		E3	950	43.79.445	AMD		E3	970
43.41	ADD	192	15	4	43.79.460	AMD	1	E3	971
43.41.035	DECD		E3	52	43.79.496	AMD	29	E3	5
43.41.390	REP	310	L5	4	43.79A.040	REMD		E3	89
43.41.393	AMD	52		14	43.79A.040	REMD	248	20	7
43.41.400	AMD		E3	223	43.79A.040	REMD	257		5
43.41.450	AMD		E3	968	43.79A.040	REMD	285		5
43.41.901	DECD	25	E3	52	43.79A.040	REMD	322		5
43.41.940	DECD		E3	52	43.84.092	REMD		E3	12
43.41.940	DECD		E3	52 52	43.84.092	AMD		E3	50
43.41.930	DECD		E3	52 52	43.84.092	REMD	290	L3	8
	AMD	23 53	E3	32	43.84.092	ADD		E3	0 1
43.42.010 43.43	ADD	261		3	43.88.0301	ADD		E3 E3	2
		181		5 1				E3	227
43.43.120 43.43.400	AMD AMD	181	Б2	102	43.88.096	AMD DECD		E3	1
		272	ЕЭ	4	43.88.910 43.88.910	DECD		E3 E3	52
43.43.754	AMD	272		4 5			52	E3	15
43.43.830	AMD		Б2		43.88D.010	AMD			
43.43.832	REMD		E3 E3	224 5	43.101	ADD	290	E3	3-5 973
43.43.832	REMD				43.101.200	AMD			
43.43.837	AMD		E3	225	43.101.220	AMD	1	E3	972
43.43.838	AMD		E3	226	43.103.090	AMD	146		1
43.43.839	AMD		E3	969	43.105.020	AMD	92 02		2
43.44.060	AMD	308		1	43.105.331	AMD	92 25	<b>F</b> 2	1
43.46	ADD	240		2-5	43.105.902	DECD		E3	1
43.59	ADD	324		2	43.105.903	DECD REMD		E3	1
43.60A	ADD	192		5	43.131.408		136		2
43.60A.020	AMD	185		1	43.131.408	REMD	211		2
43.60A.100	AMD	185		2	43.131.413	REP	124		2
43.60A.100	AMD	192		2	43.131.414	REP	124	52	2
43.60A.150	REMD	185		3	43.131.415	REP	20		17
43.60A.151	AMD	185		4	43.131.416	REP	20	E3	17
43.60A.154	AMD	185		5	43.131.422	AMD	254	<b>F</b> 2	4
43.60A.155	AMD	185		6	43.155.010	AMD	10		1
43.60A.190	AMD	185		7	43.155.020	AMD	10		2
43.60A.901	DECD	185		10	43.155.040	AMD		E3	4
43.60A.902	DECD	185		10	43.155.050	REMD		E3	974
43.60A.905	DECD	185	-	10	43.155.050	REMD	10		5
43.63A.902	DECD	25		37	43.155.060	AMD		E3	6
43.63A.903	DECD	25	E3	37	43.155.065	AMD	10	E3	7

RCW		CH.	SEC.	RCW		CH.	SEC.
43.155.068	AMD	10 E3	8	43.215.130	AMD	171	2
43.155.070	AMD	10 E3	9	43.215.135	RECD	6 E3	821
43.155.075	AMD	10 E3	10	43.215.135	AMD	9 E3	2
43.157.010	REMD	288	2	43.215.1351	RECD	6 E3	821
43.157.030	AMD	288	3	43.215.1352	RECD	6 E3	821
43.180	ADD	36 E3	13	43.215.136	RECD	6 E3	821
43.185.050	AMD	12 E3	13	43.215.137	RECD	6 E3	821
43.185A.110	AMD	274	1	43.215.140	RECD	6 E3	821
43.185C.010	AMD	277	2	43.215.145	RECD	6 E3	821
43.185C.040	AMD	15 E3	2	43.215.146	RECD	6 E3	821
43.185C.250	AMD	277	3	43.215.147	RECD	6 E3	821
43.185C.260	AMD	277	4	43.215.195	RECD	6 E3	821
43.185C.285	AMD	277	5	43.215.195	AMD	178	5
43.185C.295	AMD	277	6	43.215.200	AMD	6 E3	205
43.185C.315	AMD	277	7	43.215.200	RECD	6 E3	821
43.185C.320	AMD	277	8	43.215.201	RECD	6 E3	821
43.215	ADD	162	2	43.215.205	RECD	6 E3	821
43.215	ADD	178	3	43.215.210	RECD	6 E3	821
43.215	ADD	202	5	43.215.215	REMD	6 E3	206
43.215	ADD	236	5	43.215.215	RECD	6 E3	821
43.215.005	DECD	6 E3	820	43.215.215	REMD	33 E3	6
43.215.010	REMD	6 E3	201	43.215.216	AMD	6 E3	207
43.215.010	RECD	6 E3	821	43.215.216	RECD	6 E3	821
43.215.020	AMD	6 E3	202	43.215.217	AMD	6 E3	208
43.215.020	RECD	6 E3	821	43.215.217	RECD	6 E3	821
43.215.030	AMD	6 E3	102	43.215.218	AMD	6 E3	209
43.215.030	RECD	6 E3	821	43.215.218	RECD	6 E3	821
43.215.040	REP	6 E3	819	43.215.220	RECD	6 E3	821
43.215.050	RECD	6 E3	821	43.215.230	RECD	6 E3	821
43.215.060	RECD	6 E3	821	43.215.240	RECD	6 E3	821
43.215.065	AMD	6 E3	203	43.215.250	RECD	6 E3	821
43.215.065	RECD	6 E3	821	43.215.255	RECD	6 E3	821
43.215.070	AMD	6 E3	204	43.215.260	RECD	6 E3	821
43.215.070	RECD	6 E3	821	43.215.270	RECD	6 E3	821
43.215.080	RECD	6 E3	821	43.215.280	RECD	6 E3	821
43.215.090	RECD	6 E3	821	43.215.290	RECD	6 E3	821
43.215.090	AMD	171	1	43.215.300	RECD	6 E3	821
43.215.099	RECD	6 E3	821	43.215.305	RECD	6 E3	821
43.215.099	AMD	178	2	43.215.307	RECD	6 E3	821
43.215.100	AMD	6 E3	113	43.215.308	RECD	6 E3	821
43.215.100	RECD	6 E3	821	43.215.310	RECD	6 E3	821
43.215.1001	RECD	6 E3	821	43.215.320	RECD	6 E3	821
43.215.101	RECD	6 E3	821	43.215.330	RECD	6 E3	821
43.215.102	RECD	6 E3	821	43.215.335	RECD	6 E3	821
43.215.103	RECD	6 E3	821	43.215.340	RECD	6 E3	821
43.215.105	RECD	6 E3	821	43.215.350	RECD	6 E3	821
43.215.110	RECD	6 E3	821	43.215.355	RECD	6 E3	821
43.215.120	RECD	6 E3	821	43.215.360	RECD	6 E3	821
43.215.125	DECD	6 E3	820	43.215.370	RECD	6 E3	821

RCW		CH.	SEC.	RCW		CH.	SEC.
43.215.400	RECD	6 E3	821	43.215.905	DECD	25 E3	7
43.215.405	AMD	6 E3	210	43.215.907	DECD	6 E3	820
43.215.405	RECD	6 E3	821	43.215.908	RECD	6 E3	821
43.215.410	RECD	6 E3	821	43.215.909	RECD	6 E3	821
43.215.410	AMD	178	4	43.320.012	DECD	25 E3	1
43.215.415	RECD	6 E3	821	43.320.013	DECD	25 E3	1
43.215.420	AMD	6 E3	211	43.320.014	DECD	25 E3	1
43.215.420	RECD	6 E3	821	43.320.015	DECD	25 E3	1
43.215.425	RECD	6 E3	821	43.320.016	DECD	25 E3	1
43.215.430	RECD	6 E3	821	43.320.017	AMD	25 E3	3
43.215.435	RECD	6 E3	821	43.320.110	AMD	1 E3	976
43.215.440	RECD	6 E3	821	43.320.901	DECD	25 E3	1
43.215.445	RECD	6 E3	821	43.330	ADD	285	1-4
43.215.450	RECD	6 E3	821	43.330.250	AMD	1 E3	975
43.215.455	RECD	6 E3	821	43.330.470	AMD	290	7
43.215.456	RECD	6 E3	821	43.330.735	AMD	69	1
43.215.456	AMD	22 E3	1	43.330.750	AMD	69	2
43.215.457	RECD	6 E3	821	43.365.010	AMD	37 E3	1103
43.215.460	RECD	6 E3	821	43.374.005	REP	25 E3	38
43.215.470	RECD	6 E3	821	43.374.020	REP	25 E3	38
43.215.472	RECD	6 E3	821	44.04	ADD	322	1-3
43.215.474	RECD	6 E3	821	44.04.220	AMD	6 E3	115
43.215.476	RECD	6 E3	821	44.05.080	AMD	25 E3	33
43.215.490	RECD	6 E3	821	44.28.816	AMD	52 ES	13
43.215.492	RECD	6 E3	821	46.04	ADD	11	5
43.215.495	AMD	6 E3	212	46.04	ADD	25	4
43.215.495	RECD	6 E3	821	46.04.199	AMD	147	1
43.215.500	RECD	6 E3	821	46.08	ADD	147	2
43.215.502	RECD	6 E3	821	46.09	ADD	218	2
43.215.505	RECD	6 E3	821	46.09.455	AMD	26	1
43.215.510	RECD	6 E3	821	46.10	ADD	218	3
43.215.520	RECD	6 E3	821	46.12.530	AMD	147	3
43.215.525	RECD	6 E3	821	46.16A.040	AMD	147	4
43.215.530	RECD	6 E3	821	46.16A.190	AMD	147	5
43.215.532	RECD	6 E3	821	46.17.050	AMD	147	12
43.215.535	RECD	6 E3	821	46.17.060	AMD	147	12
43.215.540	RECD	6 E3	821	46.17.220	REMD	11	3
43.215.545	AMD	6 E3	213	46.17.220	REMD	25	2
43.215.545	RECD	6 E3	821	46.17.230	AMD	147	6
43.215.550	AMD	6 E3	214	46.17.330	AMD	147	7
43.215.550	RECD	6 E3	821	46.18.060	REMD	25 E3	40
43.215.555	RECD	6 E3	821	46.18.200	REMD	11	2
43.215.560	RECD	6 E3	821	46.18.200	REMD	25	1
43.215.562	RECD	6 E3	821	46.18.245	AMD	24	1
43.215.564	RECD	6 E3	821	46.19.010	AMD	112	1
43.215.900	RECD	6 E3	821	46.19.020	AMD	151	1
43.215.901	RECD	6 E3	821	46.20	ADD	310	1,2
43.215.903	RECD	6 E3	821	46.20.055	AMD	197	6
43.215.903	DECD	25 E3	7	46.20.100	AMD	197	7
43.215.905	RECD	6 E3	821	46.20.117	AMD	122	1
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46.20.202       AMD       310       3       46.70.027       AMD       15       5         46.20.205       AMD       147       8       46.70.180       AMD       11       1         46.20.385       AMD       336       5       46.82.280       AMD       197       8         46.20.720       AMD       313       704       46.82.330       AMD       197       10         46.25       ADD       194       3       46.82.330       AMD       197       10         46.25.010       AMD       334       4       46.82.340       AMD       197       12         46.25.000       AMD       194       2       46.93       ADD       18       4         46.25.090       AMD       75       47.01.411       REP       25       E3       39         46.52.120       AMD       147       9       47.01.350       REP       25       E3       39         46.55.100       AMD       43       2       47.01.400       REP       25       E3       39         46.55.100       AMD       152       2       47.01.400       REP       25       E3       39 <t< td=""><td>46.20.117</td><td>AMD</td><td>122</td><td>2</td><td>46.70.023</td><td>AMD</td><td>15</td><td>4</td></t<>	46.20.117	AMD	122	2	46.70.023	AMD	15	4
46.20.205       AMD       147       8       46.70.070       AMD       15       6         46.20.205       AMD       336       4       46.70.180       AMD       41       1         46.20.704       AMD       313       704       46.82.280       AMD       197       8         46.20.745       AMD       194       3       46.82.330       AMD       197       10         46.25.010       AMD       334       4       46.82.360       AMD       197       11         46.25.070       AMD       194       2       46.93       ADD       218       4         46.44.030       AMD       76       1       47.01.411       REP       25       E3       39         46.52.120       AMD       147       9       47.01.350       REP       25       E3       39         46.55.10       AMD       43       1       47.01.400       REP       25       E3       39         46.55.10       AMD       43       1       47.01.400       REP       25       E3       39         46.55.10       AMD       152       1       47.01.400       REP       25       E3								5
46.20.385       AMD       336       4       46.70.180       AMD       41       1         46.20.720       AMD       336       5       46.82.230       AMD       197       8         46.20.745       AMD       131       704       46.82.230       AMD       197       9         46.25       ADD       194       3       46.82.300       AMD       197       10         46.25.010       AMD       194       1       46.82.420       AMD       197       12         46.25.070       AMD       194       2       46.82.420       AMD       218       4         46.44.034       AMD       76       1       47.01.41       REP       25       E3       39         46.52.120       AMD       147       9       47.01.350       REP       25       E3       39         46.55.10       AMD       143       2       47.01.400       REP       25       E3       39         46.55.10       AMD       152       1       47.01.400       REP       25       E3       39         46.55.10       AMD       152       1       47.01.410       REP       25       E3 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>								
46.20.720AMD336546.82.280AMD197846.20.745AMD31370446.82.320AMD1971046.25AMD194146.82.360AMD1971146.25.010AMD334446.82.360AMD1971246.25.000AMD334446.82.420AMD1971246.25.070AMD194246.93ADD218446.44.030AMD76247.01.141REP25E33946.44.034AMD76147.01.320REP25E33946.52.120AMD147947.01.360REP25E33946.55.130AMD43247.01.400REP25E33946.55.10AMD152147.01.406REP25E33946.55.150AMD152147.01.406REP25E33946.55.150AMD50147.04ADD1571146.55.150AMD50147.04ADD1571146.65.160AMD50247.91.70AMD31371146.61.340AMD87147.56.403AMD31371346.55.160AMD50247.91.70AMD31371346.65.150AMD87								
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46.25ADD1943 $46.82.30$ AMD19710 $46.25.010$ AMD1941 $46.82.360$ AMD19711 $46.25.070$ AMD3344 $46.82.420$ AMD19712 $46.25.070$ AMD1942 $46.93$ ADD2184 $46.25.070$ AMD875 $47.01$ ADD2884 $46.44.030$ AMD762 $47.01.321$ REP25E339 $46.52.120$ AMD1479 $47.01.350$ REP25E339 $46.52.130$ AMD432 $47.01.360$ REP25E339 $46.55.103$ AMD941 $47.01.405$ REP25E339 $46.55.100$ AMD1522 $47.01.406$ REP25E339 $46.55.130$ AMD1522 $47.01.418$ REP25E339 $46.55.160$ AMD501 $47.04$ ADD1571 $46.55.160$ AMD502 $47.29.170$ AMD313711 $46.61.340$ AMD871 $47.66.403$ AMD876 $46.61.350$ AMD873 $47.60.530$ AMD313712 $46.61.504$ AMD3351 $47.60.530$ AMD313714 $46.61.505$ REMD3353 $47.60.530$ AMD313714<								
46.25.010AMD194146.82.360AMD1971146.25.010AMD334446.82.420AMD1971246.25.070AMD194246.93ADD218446.25.090AMD87547.01ADD228446.44.030AMD76147.01.321REP25E33946.44.034AMD76147.01.301REP25E33946.52.120AMD43247.01.400REP25E33946.55.ADD152447.01.400REP25E33946.55.100AMD43147.01.400REP25E33946.55.120AMD152147.01.410REP25E33946.55.150AMD152147.01.410REP25E33946.55.160AMD50247.29.170AMD157146.61.30AMD50247.29.170AMD31371246.61.350AMD87247.56.403AMD31371246.61.350AMD87247.66.45REP25E33946.61.504AMD335147.66.45REP25E33946.55.160AMD335147.66.45REP25E33946.61.505 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>								
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46.25.090AMD $87$ $5$ $47.01$ ADD $288$ $4$ $46.44.030$ AMD $76$ $2$ $47.01.141$ REP $25$ $E3$ $39$ $46.44.034$ AMD $76$ $1$ $47.01.321$ REP $25$ $E3$ $39$ $46.52.120$ AMD $147$ $9$ $47.01.350$ REP $25$ $E3$ $39$ $46.55.$ ADD $152$ $4$ $47.01.400$ REP $25$ $E3$ $39$ $46.55.103$ AMD $43$ $1$ $47.01.406$ REP $25$ $E3$ $39$ $46.55.100$ AMD $43$ $1$ $47.01.406$ REP $25$ $E3$ $39$ $46.55.130$ AMD $152$ $2$ $47.01.410$ REP $25$ $E3$ $39$ $46.55.150$ AMD $152$ $2$ $47.01.410$ REP $25$ $E3$ $39$ $46.55.160$ AMD $50$ $2$ $47.29.170$ AMD $313$ $711$ $46.61.340$ AMD $87$ $2$ $47.56.876$ AMD $313$ $712$ $46.61.350$ AMD $87$ $2$ $47.68.76$ AMD $313$ $713$ $46.61.505$ AMD $87$ $2$ $47.68.76$ AMD $313$ $714$ $46.61.505$ AMD $87$ $2$ $47.68.76$ AMD $313$ $713$ $46.61.505$ AMD $335$ $1$ $47.60.455$ REP $25$ $3$ $46.61.505$ REMD $336$ $13$								
46.44.030AMD76247.01.141REP25E33946.44.034AMD76147.01.321REP25E33946.52.120AMD147947.01.360REP25E33946.55.130AMD43247.01.400REP25E33946.55.063AMD94147.01.405REP25E33946.55.101AMD43147.01.406REP25E33946.55.120AMD152147.01.410REP25E33946.55.130AMD152247.01.418REP25E33946.55.150AMD50147.06.110AMD25E34146.55.160AMD50247.29.170AMD31371146.61ADD3341,347.32.140AMD87646.61.300AMD87247.66.403AMD31371346.61.502AMD335147.60.645REP25E33946.61.504AMD335147.60.645REP25E34946.61.505REMD336147.68.250AMD31371446.61.505REMD336747.80.020AMD48246.61.505REMD336747.80.020AMD481 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>								
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48.29.015AMD25E31849.86.010REP5E39948.29.017AMD1032149.86.020REP5E39948.31.115AMD25E31949.86.040REP5E39948.41.100AMD110249.86.050REP5E39948.41.100AMD110249.86.070REP5E39948.43ADD293249.86.070REP5E39948.43.735AMD219149.86.100REP5E39948.43.019REP7E3249.86.100REP5E39948.102.190REP7E3249.86.100REP5E39948.102.190REP13149.86.100REP5E39949.46.02AMD2249.86.160REP5E39949.46.02AMD2349.86.160REP5E39949.46.02AMD2949.86.100REP5E39949.46.02AMD2949.86.100REP5E39949.46.02AMD2949.86.100REP5E39949.46.02AMD2949.86.100REP5E39949.46.02AMD29<	RCW		CH.	SEC.	RCW		CH.	SEC.
48.29.147       AMD       103       21       49.86.030       REP       5       E3       99         48.41.100       AMD       110       2       49.86.050       REP       5       E3       99         48.41.160       AMD       110       3       49.86.060       REP       5       E3       99         48.43       ADD       293       2       49.86.070       REP       5       E3       99         48.43       ADD       293       2       49.86.070       REP       5       E3       99         48.43.735       AMD       219       1       49.86.100       REP       5       E3       99         48.150.05       AMD       307       1       49.86.100       REP       5       E3       99         49.12.470       AMD       10       1       49.86.100       REP       5       E3       99         49.46.005       AMD       2       2       49.86.100       REP       5       E3       99         49.46.000       AMD       2       3       49.86.100       REP       5       E3       99         49.46.100       AMD       5       E3 <td>48.29.015</td> <td>AMD</td> <td>25 E3</td> <td>18</td> <td>49.86.010</td> <td>REP</td> <td>5 E3</td> <td>99</td>	48.29.015	AMD	25 E3	18	49.86.010	REP	5 E3	99
48.31.115       AMD       25       E3       19       49.86.040       REP       5       E3       99         48.41.100       AMD       110       2       49.86.050       REP       5       E3       99         48.41.30       AMD       293       2       49.86.070       REP       5       E3       99         48.43.735       AMD       219       1       49.86.080       REP       5       E3       99         48.6.21.81       REP       7       E3       2       49.86.100       REP       5       E3       99         48.621.81       REP       25       E3       14       49.86.100       REP       5       E3       99         48.150.05       AMD       307       1       49.86.100       REP       5       E3       99         49.12.470       AMD       13       1       49.86.130       REP       5       E3       99         49.46.020       AMD       2       7       49.86.160       REP       5       E3       99         49.46.120       AMD       2       9       49.86.100       REP       5       E3       99         49.76.1	48.29.017	AMD	103	22	49.86.020	REP	5 E3	99
48.41.100       AMD       110       2       49.86.050       REP       5       E3       99         48.43.       ADD       293       2       49.86.070       REP       5       E3       99         48.43.735       AMD       219       1       49.86.080       REP       5       E3       99         48.43.735       AMD       219       1       49.86.080       REP       5       E3       99         48.185.005       AMD       307       1       49.86.100       REP       5       E3       99         49.12.170       AMD       150       1       49.86.120       REP       5       E3       99         49.46.005       AMD       2       12       49.86.160       REP       5       E3       99         49.46.002       AMD       2       7       49.86.120       REP       5       E3       99         49.46.100       AMD       2       8       49.86.180       REP       5       E3       99         49.76.120       AMD       5       E3       91       49.86.903       REP       5       E3       99         49.76.120       AMD	48.29.147	AMD	103	21	49.86.030	REP	5 E3	99
48.41.160       AMD       110       3       49.86.060       REP       5       E3       99         48.43       ADD       293       2       49.86.070       REP       5       E3       99         48.43       ADD       219       1       49.86.080       REP       5       E3       99         48.62.181       REP       7       E3       2       49.86.100       REP       5       E3       99         48.185.005       AMD       107       1       49.86.100       REP       5       E3       99         49.12.470       AMD       150       1       49.86.130       REP       5       E3       99         49.46.005       AMD       2       2       49.86.160       REP       5       E3       99         49.46.000       AMD       2       3       49.86.100       REP       5       E3       99         49.46.100       AMD       2       9       49.86.100       REP       5       E3       99         49.76.130       AMD       5       E3       91       49.86.201       REP       5       E3       99         49.77.030       AMD	48.31.115	AMD	25 E3	19	49.86.040	REP	5 E3	99
48.41.160       AMD       110       3       49.86.060       REP       5       E3       99         48.43       ADD       293       2       49.86.070       REP       5       E3       99         48.43       ADD       219       1       49.86.080       REP       5       E3       99         48.62.181       REP       7       E3       2       49.86.100       REP       5       E3       99         48.185.005       AMD       107       1       49.86.100       REP       5       E3       99         49.12.470       AMD       150       1       49.86.130       REP       5       E3       99         49.46.005       AMD       2       2       49.86.160       REP       5       E3       99         49.46.000       AMD       2       3       49.86.100       REP       5       E3       99         49.46.100       AMD       2       9       49.86.100       REP       5       E3       99         49.76.130       AMD       5       E3       91       49.86.201       REP       5       E3       99         49.77.030       AMD	48.41.100	AMD	110	2	49.86.050	REP	5 E3	99
48.43       ADD       293       2       49.86.070       REP       5       E3       99         48.43.735       AMD       219       1       49.86.080       REP       5       E3       99         48.62.181       REP       25       E3       14       49.86.010       REP       5       E3       99         48.102.190       REP       25       E3       14       49.86.100       REP       5       E3       99         48.150.05       AMD       307       1       49.86.130       REP       5       E3       99         49.46.02       AMD       2       12       49.86.140       REP       5       E3       99         49.46.02       AMD       2       3       49.86.160       REP       5       E3       99         49.46.100       AMD       2       8       49.86.10       REP       5       E3       99         49.46.100       AMD       2       9       49.86.10       REP       5       E3       99         49.76.020       AMD       5       E3       91       49.86.903       REP       5       E3       99         49.77.020	48.41.160		110			REP	5 E3	99
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49.46.120       AMD       2       9       49.86.210       REP       5       E3       99         49.76.020       AMD       5       E3       90       49.86.902       REP       5       E3       99         49.76.130       AMD       5       E3       91       49.86.903       REP       5       E3       99         49.77       ADD       5       E3       92       50.13.010       DECD       25       E3       5         49.77.020       AMD       5       E3       92       50.13.010       DECD       25       E3       5         49.77.020       AMD       5       E3       93       50.16.010       AMD       1       E3       977         49.78.020       REP       5       E3       98       50.22.150       AMD       39       7         49.78.200       REP       5       E3       98       50.38.900       DECD       25       E3       83         49.78.20       REP       5       E3       98       50.38.900       DECD       25       E3       5         49.78.20       REP       5       E3       98       50.60.902       DECD	49.46.100				49.86.180	REP	5 E3	99
49.76.130AMD5E39149.86.903REP5E39949.77ADD5E394-9750.06.010DECD25E3549.77.020AMD5E39250.13.010DECD25E3549.77.030AMD5E39350.13.910DECD25E3549.78.010REP5E39850.20.250AMD39749.78.000REP5E39850.22.150AMD39849.78.200REP5E39850.22.155REMD39949.78.200REP5E39850.29.021REMD5E38349.78.200REP5E39850.29.021REMD5E38349.78.260REP5E39850.60.902DECD25E3549.78.260REP5E39850.60.902DECD25E3549.78.260REP5E39850.60.902DECD25E3549.78.280REP5E39850.70.902DECD25E3549.78.300REP5E39850.40.00AMD391049.78.300REP5E39850.40.01AMD15149.78.300REP5E39851.24.090A	49.46.120	AMD		9	49.86.210	REP	5 E3	99
49.77       ADD       5       E3       94-97       50.06.010       DECD       25       E3       5         49.77.020       AMD       5       E3       92       50.13.010       DECD       25       E3       5         49.77.030       AMD       5       E3       93       50.13.910       DECD       25       E3       5         49.78.010       REP       5       E3       98       50.20.250       AMD       39       7         49.78.200       REP       5       E3       98       50.22.150       AMD       39       8         49.78.200       REP       5       E3       98       50.22.155       REMD       39       9         49.78.200       REP       5       E3       98       50.29.021       REMD       5       E3       83         49.78.200       REP       5       E3       98       50.60.902       DECD       25       E3       5         49.78.260       REP       5       E3       98       50.60.902       DECD       25       E3       5         49.78.260       REP       5       E3       98       50.65.905       DECD       25 </td <td>49.76.020</td> <td>AMD</td> <td>5 E3</td> <td>90</td> <td>49.86.902</td> <td>REP</td> <td>5 E3</td> <td>99</td>	49.76.020	AMD	5 E3	90	49.86.902	REP	5 E3	99
49.77.020AMD5E392 $50.13.010$ DECD25E3549.77.030AMD5E393 $50.13.910$ DECD25E3549.78.010REP5E398 $50.16.010$ AMD1E397749.78.020REP5E398 $50.22.50$ AMD39749.78.090REP5E398 $50.22.150$ AMD39849.78.200REP5E398 $50.29.021$ REMD5E38349.78.240REP5E398 $50.29.021$ REMD5E3549.78.240REP5E398 $50.38.900$ DECD25E3549.78.240REP5E398 $50.60.902$ DECD25E3549.78.260REP5E398 $50.62.030$ AMD391049.78.280REP5E398 $50.65.905$ DECD25E3549.78.300REP5E398 $50.98.080$ DECD25E3549.78.300REP5E398 $50.40.07.902$ DECD25E3549.78.330REP5E398 $50.40.061$ AMD145149.78.340REP5E398 $51.24.090$ AMD145149.78.350REP5E3 <td>49.76.130</td> <td>AMD</td> <td>5 E3</td> <td>91</td> <td>49.86.903</td> <td>REP</td> <td>5 E3</td> <td>99</td>	49.76.130	AMD	5 E3	91	49.86.903	REP	5 E3	99
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49.78.010REP5E39850.16.010AMD1E397749.78.020REP5E39850.20.250AMD39749.78.090REP5E39850.22.150AMD39849.78.200REP5E39850.22.155REMD39949.78.200REP5E39850.29.021REMD5E38349.78.200REP5E39850.38.900DECD25E3549.78.200REP5E39850.60.902DECD25E3549.78.260REP5E39850.61.905DECD25E3549.78.270REP5E39850.65.905DECD25E3549.78.290REP5E39850.70.902DECD25E3549.78.300REP5E39850.4ADD5E31.8249.78.300REP5E39850.4ADD5E3549.78.300REP5E39851.24.090AMD145149.78.360REP5E39852.04.061AMD326149.78.370REP5E39852.04.071AMD326149.78.300REP5E39852.04.071AMD326 <td>49.77.020</td> <td>AMD</td> <td>5 E3</td> <td>92</td> <td>50.13.010</td> <td>DECD</td> <td>25 E3</td> <td></td>	49.77.020	AMD	5 E3	92	50.13.010	DECD	25 E3	
49.78.020       REP       5       E3       98       50.20.250       AMD       39       7         49.78.090       REP       5       E3       98       50.22.150       AMD       39       8         49.78.220       REP       5       E3       98       50.22.155       REMD       39       9         49.78.230       REP       5       E3       98       50.29.021       REMD       5       E3       83         49.78.240       REP       5       E3       98       50.38.900       DECD       25       E3       5         49.78.260       REP       5       E3       98       50.60.902       DECD       25       E3       5         49.78.260       REP       5       E3       98       50.62.030       AMD       39       10         49.78.260       REP       5       E3       98       50.62.030       AMD       39       10         49.78.200       REP       5       E3       98       50.70.902       DECD       25       E3       5         49.78.300       REP       5       E3       98       50.4       ADD      5       1-82      4	49.77.030	AMD	5 E3	93	50.13.910	DECD	25 E3	
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49.78.220REP5E39850.22.155REMD39949.78.230REP5E39850.29.021REMD5E38349.78.240REP5E39850.38.900DECD25E3549.78.250REP5E39850.60.902DECD25E3549.78.260REP5E39850.60.902DECD25E3549.78.270REP5E39850.62.030AMD391049.78.280REP5E39850.65.905DECD25E3549.78.200REP5E39850.70.902DECD25E3549.78.300REP5E39850.4ADD5E31-8249.78.310REP5E39850.4ADD5E31-8249.78.330REP5E39851.24.090AMD145149.78.350REP5E39852.02ADD3281,2,549.78.370REP5E39852.04.061AMD326249.78.380REP5E39852.04.071AMD326249.78.380REP5E39852.04.011AMD326349.78.390REP5E39852.04.011AMD3263	49.78.020	REP	5 E3	98	50.20.250	AMD	39	7
49.78.220REP5E39850.22.155REMD39949.78.230REP5E39850.29.021REMD5E38349.78.240REP5E39850.38.900DECD25E3549.78.250REP5E39850.60.902DECD25E3549.78.260REP5E39850.60.902DECD25E3549.78.270REP5E39850.62.030AMD391049.78.280REP5E39850.65.905DECD25E3549.78.200REP5E39850.70.902DECD25E3549.78.300REP5E39850.4ADD5E31-8249.78.310REP5E39850.4ADD5E31-8249.78.330REP5E39851.24.090AMD145149.78.350REP5E39852.02ADD3281,2,549.78.370REP5E39852.04.061AMD326249.78.380REP5E39852.04.071AMD326249.78.380REP5E39852.04.011AMD326349.78.390REP5E39852.04.011AMD3263	49.78.090	REP	5 E3	98	50.22.150	AMD	39	8
49.78.240REP5E39850.38.900DECD25E3549.78.250REP5E39850.38.902DECD25E3549.78.260REP5E39850.60.902DECD25E3549.78.270REP5E39850.62.030AMD391049.78.280REP5E39850.65.905DECD25E3549.78.290REP5E39850.70.902DECD25E3549.78.300REP5E39850.98.080DECD25E3549.78.310REP5E39850.4ADD5E31-8249.78.320REP5E39850.4ADD5E31-8249.78.330REP5E39851.24.090AMD145149.78.350REP5E39852.02ADD3281,2,549.78.360REP5E39852.04.061AMD326249.78.380REP5E39852.04.071AMD326349.78.380REP5E39852.04.091AMD326349.78.400REP5E39852.04.091AMD326349.78.400REP5E39852.04.101AMD3264	49.78.220	REP	5 E3	98	50.22.155	REMD	39	9
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	49.78.230	REP	5 E3	98	50.29.021	REMD	5 E3	83
$\begin{array}{cccccccccccccccccccccccccccccccccccc$	49.78.240	REP	5 E3	98	50.38.900	DECD	25 E3	5
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	49.78.250	REP	5 E3	98	50.38.902	DECD	25 E3	5
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	49.78.260	REP	5 E3	98	50.60.902	DECD	25 E3	5
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	49.78.270	REP	5 E3	98	50.62.030	AMD	39	10
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	49.78.280	REP	5 E3	98	50.65.905	DECD	25 E3	5
49.78.310REP5E39850AADD5E31-8249.78.320REP5E39810149.78.330REP5E39810149.78.340REP5E39851.24.090AMD145149.78.350REP5E39851.44ADD11E3449.78.360REP5E39852.02ADD3281,2,549.78.370REP5E39852.04.061AMD326149.78.380REP5E39852.04.071AMD326249.78.390REP5E39852.04.091AMD326349.78.400REP5E39852.04.101AMD326549.78.410REP5E39852.04.111AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3266	49.78.290	REP	5 E3	98	50.70.902	DECD	25 E3	5
49.78.320REP5E39884-8849.78.330REP5E39810149.78.330REP5E39810149.78.340REP5E39851.24.090AMD145149.78.350REP5E39851.44ADD11E3449.78.360REP5E39852.02ADD3281,2,549.78.370REP5E39852.04.061AMD326149.78.380REP5E39852.04.071AMD326249.78.390REP5E39852.04.091AMD326349.78.400REP5E39852.04.101AMD326449.78.410REP5E39852.04.111AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3267	49.78.300	REP	5 E3	98	50.98.080	DECD	25 E3	5
49.78.330REP5E39810149.78.340REP5E39851.24.090AMD145149.78.350REP5E39851.44ADD11E3449.78.360REP5E39852.02ADD3281,2,549.78.370REP5E39852.04.061AMD326149.78.380REP5E39852.04.071AMD326249.78.390REP5E39852.04.081AMD326349.78.400REP5E39852.04.101AMD326449.78.410REP5E39852.04.111AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3267	49.78.310	REP	5 E3	98	50A	ADD	5 E3	1-82
49.78.340REP5E39851.24.090AMD145149.78.350REP5E39851.44ADD11E3449.78.360REP5E39852.02ADD3281,2,549.78.370REP5E39852.04.061AMD326149.78.380REP5E39852.04.071AMD326249.78.390REP5E39852.04.081AMD326349.78.400REP5E39852.04.091AMD326449.78.410REP5E39852.04.101AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3267	49.78.320	REP	5 E3	98				84-88
49.78.350REP5E39851.44ADD11E3449.78.360REP5E39852.02ADD3281,2,549.78.370REP5E39852.04.061AMD326149.78.380REP5E39852.04.071AMD326249.78.390REP5E39852.04.071AMD326349.78.400REP5E39852.04.091AMD326449.78.410REP5E39852.04.101AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3267	49.78.330	REP	5 E3	98				101
49.78.360REP5E39852.02ADD3281,2,549.78.370REP5E39852.04.061AMD326149.78.380REP5E39852.04.071AMD326249.78.390REP5E39852.04.081AMD326349.78.400REP5E39852.04.091AMD326449.78.410REP5E39852.04.101AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3267	49.78.340	REP		98	51.24.090	AMD	145	
49.78.370REP5E39852.04.061AMD326149.78.380REP5E39852.04.071AMD326249.78.390REP5E39852.04.081AMD326349.78.400REP5E39852.04.091AMD326449.78.410REP5E39852.04.101AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3267	49.78.350	REP	5 E3	98	51.44	ADD	11 E3	
49.78.380REP5E39852.04.071AMD326249.78.390REP5E39852.04.081AMD326349.78.400REP5E39852.04.091AMD326449.78.410REP5E39852.04.101AMD326549.78.901REP5E39852.04.101AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3267	49.78.360	REP	5 E3	98	52.02	ADD	328	1,2,5
49.78.390REP5E39852.04.081AMD326349.78.400REP5E39852.04.091AMD326449.78.410REP5E39852.04.101AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3267	49.78.370	REP			52.04.061	AMD	326	
49.78.400         REP         5         E3         98         52.04.091         AMD         326         4           49.78.410         REP         5         E3         98         52.04.091         AMD         326         5           49.78.410         REP         5         E3         98         52.04.101         AMD         326         5           49.78.901         REP         5         E3         98         52.04.111         AMD         326         6           49.78.904         REP         5         E3         98         52.04.121         AMD         326         7	49.78.380				52.04.071			
49.78.410REP5E39852.04.101AMD326549.78.901REP5E39852.04.111AMD326649.78.904REP5E39852.04.121AMD3267								
49.78.901         REP         5         E3         98         52.04.111         AMD         326         6           49.78.904         REP         5         E3         98         52.04.121         AMD         326         7					52.04.091			
49.78.904 REP 5 E3 98 52.04.121 AMD 326 7								
49.86.005 REP 5 E3 99 52.04.131 AMD 326 8								
	49.86.005	REP	5 E3	99	52.04.131	AMD	326	8

RCW		CH.	SEC.	RCW		CH.	SEC.
52.04.171	AMD	326	9	66.24.363	AMD	96	5
52.06.010	AMD	326	10	66.24.371	REMD	96	3
52.14	ADD	328	6	66.24.630	AMD	96	4
52.14.010	AMD	58	1	66.24.632	AMD	96	6
52.14.010	AMD	328	7	66.24.640	AMD	229	2
52.14.020	AMD	328	8	66.28	ADD	160	1
52.16.160	AMD	107	1	66.28.270	AMD	190	1
52.18.010	AMD	196	5	66.28.360	AMD	8	2
52.18.050	AMD	196	4	67.08	ADD	46	2
52.26.020	REMD	196	7	67.08.002	REMD	46	1
52.26.030	AMD	196	8	67.08.100	AMD	46	3
52.26.070	AMD	37	4	67.08.160	AMD	46	4
52.26.070	AMD	196	14	68.50.040	AMD	37	5
52.26.180	AMD	196	6	68.54	ADD	62	1
52.26.220	AMD	196	1	68.60	ADD	208	2
52.26.230	AMD	196	2	68.60.010	AMD	208	1
54.04.070	AMD	85	1	69	ADD	212	1-9
54.28	ADD	323	101	69.04.570	AMD	212	10
54.28.030	REP	323	102	69.04.933	AMD	8 E3	6
54.28.040	AMD	323	103	69.04.934	AMD	8 E3	7
54.28.050	AMD	323	104	69.07	ADD	138	4
54.28.055	AMD	28 E3	501	69.07.010	AMD	138	1
54.28.055	AMD	28 E3	502	69.07.020	AMD	138	2
54.28.055	AMD	323	105	69.07.100	AMD	8 E3	55
57.08	ADD	314	2	69.50	ADD	317	16
57.20	ADD	314	1	69.50.101	REMD	153	1
58.08.040	REP	109	1	69.50.101	REMD	212	11
58.17.100	AMD	161	1	69.50.101	REMD	317	5
58.17.170	AMD	161	2	69.50.1011	REP	25 E3	6
58.17.190	AMD	161	3	69.50.325	AMD	316	2
60.28.011	AMD	302	1	69.50.325	AMD	317	1
64.08.060	AMD	281	41	69.50.331	AMD	317	2
64.08.070	AMD	281	42	69.50.357	AMD	131	1
64.44.005	AMD	115	1	69.50.357	AMD	317	13
64.44.010	AMD	115	2	69.50.366	AMD	317	6
64.44.060	AMD	115	3	69.50.369	AMD	317	14
64.70.020	AMD	23	6	69.50.372	AMD	316	3
66.08.100	AMD	317	4	69.50.372	AMD	317	3
66.08.170	AMD	1 E3	978	69.50.382	AMD	317	7
66.08.230	REP	25 E3	6	69.50.4013	AMD	317	15
66.08.250	REP	25 E3	6	69.50.540	AMD	1 E3	979
66.12.020	REP	25 E3	6	69.50.545	DECD	25 E3	5
66.20.010	REMD	250	1	69.50.606	DECD	25 E3	5
66.24	ADD	96	1	69.50.607	DECD	25 E3	5
66.24	ADD	229	1	69.51A	ADD	317	11
66.24.140	AMD	260	1	69.51A.250	AMD	317	8
66.24.170	AMD	238	1	69.70.020	AMD	205	1
66.24.215	AMD	8	1	70	ADD	5	1-3
66.24.330	AMD	252	1	70	ADD	36 E3	12
66.24.360	AMD	96	2	70.01	ADD	91	1

RCW		CH.	SEC.	RCW		CH.	SEC.
70.02	ADD	298	1	70.104.100	REP	25 E	E3 12
70.02.050	AMD	298	2	70.105A.035	REP	25 E	E3 9
70.02.200	AMD	6 E	3 815	70.105D.070	AMD	1 E	E3 980
70.02.200	AMD	298	3	70.118A	ADD	105	2
70.02.220	AMD	6 E	3 332	70.149.010	AMD	23	1
70.02.220	AMD	298	4	70.149.020	AMD	23	2
70.02.230	REMD	6 E	3 816	70.149.030	AMD	23	3
70.02.230	REMD	298	5	70.149.040	AMD	23	4
70.02.230	AMD	298	6	70.149.070	AMD	23	5
70.02.230	REMD	325	1	70.220.060	REP	25 E	E3 9
70.02.230	AMD	325	2	70.225	ADD	297	10
70.05	ADD	105	3	70.225.040	AMD	297	9
70.22.005	REP	25 E	3 23	70.275.040	AMD	254	2
70.38.111	AMD	199	1	70.275.050	AMD	254	1
70.38.260	AMD	199	2	70.275.130	AMD	254	3
70.41	ADD	249	3	70.285.030	AMD	204	1
70.41.420	AMD	249	2	70.285.050	AMD	204	2
70.47A.010	REP	25 E	3 23	70.285.100	AMD	204	3
70.47A.020	REP	25 E	3 23	70.320.020	AMD	226	8
70.47A.030	REP	25 E	3 23	70.340.130	AMD	4 E	E3 6015
70.47A.040	REP	25 E		70.345.080	AMD	210	1
70.47A.050	REP	25 E		71.05.020	REMD	14 E	E3 14
70.47A.060	REP	25 E		71.05.154	AMD		E3 11
70.47A.070	REP	25 E		71.05.154	AMD		E3 12
70.47A.080	REP	25 E		71.05.201	AMD		E3 1
70.47A.090	REP	25 E		71.05.201	REMD		E3 2
70.47A.100	REP	25 E		71.05.203	AMD		E3 3
70.47A.110	REP	25 E		71.05.203	AMD		E3 4
70.47A.901	REP	25 E		71.05.210	REMD		E3 15
70.87.210	AMD	11 E		71.05.210	AMD		E3 16
70.90.120	AMD	102	1	71.05.230	REMD		E3 17
70.90.250	AMD	102	2	71.05.290	REMD		E3 18
70.94.120	AMD	37	6	71.05.300	REMD		E3 19
70.94.505	REP	25 E		71.05.360	REMD		E3 20
70.94.640	AMD	217	1	71.05.590	AMD		E3 8
70.95.532	AMD	25 E		71.05.590	AMD		E3 9
70.95A.020	AMD	314	3	71.05.590	AMD		E3 10
70.95B	ADD	35	1	71.05.760	AMD		E3 21
70.95B.150	REP	35	2	71.05.910	DECD		E3 26
70.95H.005	REP	25 E		71.05.920	DECD		E3 26
70.95H.007	REP	25 E		71.05.930	DECD		E3 26
70.95H.010	REP	25 E 25 E		71.12	ADD	263	3-7
70.95H.030	REP	25 E 25 E		71.12.455	AMD	263	2
70.95H.040	REP	25 E 25 E		71.24	ADD	203	7,8
70.95H.050	REP	25 E 25 E		71.24	ADD	202	2,3
70.95H.900	REP	25 E 25 E		71.24	ADD	207	13
70.9511.900 70.95N.270	REP	23 E 25 E		71.24	ADD	330	2
70.95N.270 70.96A.140	AMD	23 E 14 E		71.24.057	REP	25 E	
70.30A.140 70.104.070	REP	14 E 25 E		71.24.310	AMD	23 1	1
70.104.070	REP	23 E 25 E		71.24.560	AMD	222	11
/0.104.090	KLF	23 E	5 7	/1.24.300	AND	291	11

RCW		CH.	SEC.	RCW		CH.	SEC.
71.24.580	AMD	1 E3	981	74.09	ADD	226	2-4
71.24.585	AMD	297	12	74.09	ADD	242	1
71.24.590	AMD	297	14	74.09	ADD	270	2
71.24.590	AMD	297	15	74.09	ADD	273	1
71.24.595	AMD	297	16	74.09	ADD	294	2
71.24.595	AMD	297	17	74.09.010	AMD	226	5
71.24.900	DECD	25 E3	26	74.09.325	AMD	219	3
71.34.795	AMD	6 E3	725	74.09.480	AMD	294	4
71.34.901	DECD	25 E3	26	74.09.495	AMD	202	3
71A.10.805	DECD	25 E3	20	74.09.495	AMD	226	6
71A.20.180	AMD	19 E3	1	74.09.510	AMD	6 E3	337
71A.20.190	REP	25 E3	23	74.09.520	AMD	202	4
72.01.010	AMD	6 E3	726	74.09.5225	AMD	198	1
72.01.045	AMD	6 E3	627	74.12.037	REP	20 E3	16
72.01.050	AMD	6 E3	628	74.12.901	REP	20 E3	27
72.01.210	AMD	6 E3	727	74.12A.030	REP	25 E3	27
72.01.410	AMD	6 E3	728	74.13	ADD	20 E3	14
72.02.100	AMD	214	1	74.13	ADD	206	1
72.05.010	AMD	6 E3	701	74.13.017	REP	25 E3	27
72.05.020	AMD	6 E3	702	74.13.020	AMD	6 E3	401
72.05.130	AMD	6 E3	703	74.13.025	AMD	6 E3	402
72.05.154	AMD	6 E3	704	74.13.031	AMD	20 E3	7
72.05.300	DECD	6 E3	820	74.13.031	AMD	265	2
72.05.415	AMD	6 E3	705	74.13.039	AMD	6 E3	403
72.05.435	AMD	6 E3	706	74.13.062	AMD	6 E3	404
72.05.440	AMD	6 E3	707	74.13.1051	AMD	6 E3	405
72.09.111	AMD	81	1	74.13.107	AMD	6 E3	406
72.09.285	AMD	141	1	74.13.107	REP	20 E3	15
72.09.335	AMD	144	1	74.13.270	AMD	20 E3	1
72.09.337	AMD	6 E3	631	74.13.335	AMD	6 E3	407
72.09.460	AMD	120	3	74.13.621	AMD	1 E3	982
72.09.465	AMD	120	4	74.13A.025	AMD	20 E3	8
72.19.010	AMD	6 E3	708	74.13A.030	AMD	20 E3	9
72.19.020	AMD	6 E3	709	74.13A.047	AMD	20 E3	10
72.19.030	AMD	6 E3	710	74.13A.060	AMD	6 E3	502
72.19.040	AMD	6 E3	711	74.13A.075	AMD	6 E3	501
72.19.050	AMD	6 E3	712	74.13A.085	AMD	6 E3	503
72.19.060	AMD	6 E3	713	74.13B.005	AMD	6 E3	504
72.36.115	AMD	185	8	74.13B.010	AMD	6 E3	505
72.72.030	AMD	6 E3	714	74.14A.030	AMD	6 E3	625
72.72.040	AMD	6 E3	715	74.14A.040	AMD	6 E3	626
73.04.150	AMD	184	1	74.14B.010	AMD	6 E3	506
73.08.005	AMD	185	9	74.14B.050	AMD	6 E3	507
74.04.060	AMD	6 E3	817	74.14B.070	AMD	6 E3	508
74.04.800	AMD	6 E3	329	74.14B.080	AMD	6 E3	509
74.08A.250	AMD	156	1	74.14B.900	DECD	6 E3	820
74.08A.260	AMD	21 E3	1	74.14B.900	DECD	25 E3	26
74.08A.270	AMD	21 E3	2	74.14C.005	AMD	6 E3	510
74.09	ADD	5	8	74.14C.010	AMD	6 E3	511
74.09	ADD	202	2	74.14C.070	AMD	6 E3	512

RCW		CH.	SEC.	RCW		CH.	SEC.
74.14C.090	AMD	6 E3	513	77.12.047	AMD	159	2
74.15	ADD	20 E3	4	77.12.170	AMD	8 E3	3
74.15.020	AMD	6 E3	408	77.12.177	AMD	8 E3	4
74.15.020	AMD	39	11	77.12.201	AMD	1 E3	983
74.15.030	AMD	6 E3	409	77.12.203	AMD	1 E3	984
74.15.060	AMD	6 E3	410	77.12.605	REP	25 E3	35
74.15.070	AMD	6 E3	411	77.12.710	REP	25 E3	35
74.15.080	AMD	6 E3	412	77.12.712	AMD	3 E3	4
74.15.120	AMD	6 E3	413	77.12.879	REP	17 E3	107
74.15.134	AMD	6 E3	414	77.12.885	AMD	246	2
74.15.200	AMD	6 E3	415	77.15.096	AMD	8 E3	5
74.15.901	AMD	6 E3	416	77.15.110	AMD	8 E3	8
74.18.903	DECD	25 E3	26	77.15.160	REMD	8 E3	42
74.20A.320	AMD	269	6	77.15.160	REMD	17 E3	303
74.34	ADD	266	13	77.15.170	AMD	8 E3	9
74.34.020	AMD	266	12	77.15.500	AMD	8 E3	10
74.34.020	AMD	268	2	77.15.565	AMD	8 E3	11
74.34.063	AMD	6 E3	818	77.15.568	AMD	89	1
74.39A	ADD	200	1	77.15.620	AMD	8 E3	12
74.39A.074	AMD	216	1	77.15.630	AMD	8 E3	13
74.39A.076	AMD	267	1	77.15.640	AMD	8 E3	14
74.39A.270	AMD	24 E3	1	77.15.902	DECD	25 E3	34
74.39A.326	AMD	34 E3	3	77.32.155	AMD	255	1
74.42.010	REMD	200	2	77.32.585	AMD	82	1
74.42.360	AMD	200	3	77.36	ADD	244	2
74.46.485	AMD	286	1	77.50.900	DECD	25 E3	34
74.46.561	AMD	286	2	77.55.181	AMD	241	1
74.60	ADD	228	14	77.65	ADD	8 E3	15
74.60.005	AMD	228	1	77.65.010	AMD	8 E3	16
74.60.010	AMD	228	2	77.65.020	AMD	8 E3	17
74.60.020	AMD	228	3	77.65.090	AMD	8 E3	18
74.60.030	AMD	228	4	77.65.110	AMD	8 E3	19
74.60.050	AMD	228	5	77.65.120	AMD	8 E3	20
74.60.090	AMD	228	6	77.65.150	AMD	8 E3	21
74.60.100	AMD	228	7	77.65.160	AMD	8 E3	22
74.60.120	AMD	228	8	77.65.170	AMD	8 E3	23
74.60.130	AMD	228	9	77.65.190	AMD	8 E3	24
74.60.150	AMD	228	10	77.65.200	AMD	8 E3	25
74.60.160	AMD	228	11	77.65.210	REMD	8 E3	26
74.60.901	AMD	228	12	77.65.220	REMD	8 E3	27
74.60.902	AMD	228	13	77.65.240	AMD	8 E3	28
76.01.080	REP	25 E3	35	77.65.280	AMD	8 E3	29
76.01.090	REP	25 E3	35	77.65.290	REP	8 E3	58
76.04.135	AMD	280	2	77.65.300	REP	8 E3	58
76.04.181	AMD	104	1	77.65.310	AMD	8 E3	30
76.06	ADD	95	1	77.65.320	AMD	8 E3	31
76.09.380	REP	25 E3	35	77.65.330	AMD	8 E3	32
76.13.120	AMD	140	1	77.65.340	AMD	8 E3	33
77.08.010	REMD	8 E3	2	77.65.350	AMD	8 E3	34
77.12	ADD	159	3	77.65.360	REP	8 E3	58
			5	,,		0 15	20

RCW		CH.		SEC.	RCW		СН		SEC.
77.65.370	REMD	8	E3	35	79A.20.010	REP	25	E3	35
77.65.390	AMD	8	E3	36	79A.20.030	REP	25	E3	35
77.65.440	AMD	8	E3	37	79A.20.900	REP	25	E3	35
77.65.480	AMD	8	E3	38	79A.25.210	AMD	1	E3	997
77.65.490	AMD	8	E3	39	79A.60	ADD	247		1
77.65.500	AMD	8	E3	40	79A.80.020	AMD	121		1
77.65.510	AMD	8	E3	41	79A.80.090	AMD	1	E3	988
77.65.515	REP	8	E3	58	80.01.080	AMD	25	E3	11
77.65.520	REP	8	E3	58	80.28	ADD	36	E3	10,11
77.65.580	AMD	8	E3	43	80.36.901	REP	25	E3	9
77.65.590	AMD	8	E3	44	81.53.281	AMD	313		715
77.65.900	REP	8	E3	58	81.61	ADD	333		2-4
77.65.900	DECD	25	E3	34	81.61.010	AMD	333		1
77.70.150	AMD	8	E3	45	81.61.040	AMD	333		5
77.70.190	AMD	8	E3	46	82	ADD	28	E32	04-208
77.70.220	AMD	8	E3	47	82.01.060	AMD	323		801
77.70.280	AMD	8	E3	48	82.04	ADD	37	E3 3	02,704
77.70.290	AMD	8	E3	49	82.04.040	AMD	323		201
77.70.300	AMD	8	E3	50	82.04.050	AMD	37	E3	1201
77.70.430	AMD	8	E3	51	82.04.060	AMD	323		512
77.70.490	AMD	8	E3	52	82.04.066	AMD		E3	301
77.105.900	DECD	25	E3	34	82.04.067	AMD	28	E3	302
77.120	ADD	17	E3 20	04,301	82.04.190	AMD	323		202
77.120.010	AMD		E3	307	82.04.190	AMD	323		513
77.120.070	AMD	17	E3	304	82.04.192	AMD	323		514
77.120.110	AMD	17	E3	106	82.04.220	AMD	28	E3	303
77.125.040	AMD	25	E3	36	82.04.240	AMD	37	E3	517
77.135	ADD	17	E3	101	82.04.240	AMD	37	E3	518
			20	01-203	82.04.240	AMD	135		9
				302	82.04.2404	AMD	37	E3	502
77.135.010	REMD	17	E3	305	82.04.2404	AMD	37	E3	503
77.135.110	AMD	17	E3	308	82.04.2404	AMD	135		10
77.135.120	AMD	17	E3	309	82.04.257	AMD	323		515
77.135.160	AMD	17	E3	306	82.04.258	AMD	323		516
78.44.085	AMD	27	E3	1	82.04.260	REMD	135		11
78.60.010	AMD	259		1	82.04.261	AMD	323		501
78.60.070	AMD	259		2	82.04.280	REEN	323		508
78.60.120	AMD	259		3	82.04.2909	AMD	135		12
79.02.420	AMD	35	E3	1	82.04.294	AMD	37	E3	402
79.10	ADD	248		1,2	82.04.294	AMD	37	E3	403
79.13	ADD	56		1	82.04.334	AMD	323		502
79.64	ADD	248		3	82.04.424	REP		E3	304
79.64.040	AMD		E3	985	82.04.426	AMD		E3	523
79.64.040	AMD	248		5	82.04.426	AMD		E3	524
79.64.110	AMD		E3	986	82.04.426	AMD	135		13
79.64.110	AMD	13		315	82.04.4277	AMD	135		14
79.64.110	AMD	248		6	82.04.4277	AMD	323		528
79.105.150	AMD		E3	987	82.04.43391	AMD	323		503
79.110.240	AMD	19		1	82.04.4461	AMD	135		15
	REP	25		35	82.04.4463	AMD	135		16

RCW		CH.		SEC.	RCW		CH.		SEC.
82.04.448	AMD	37	E3	515	82.12.962	AMD	36	E3	16
82.04.448	AMD	37	E3	516	82.12.963	AMD	36	E3	17
82.04.448	AMD	135		17	82.12.965	AMD	37	E3	511
82.04.4481	AMD	135		18	82.12.965	AMD	37	E3	512
82.04.4483	AMD	135		19	82.12.965	AMD	135		30
82.04.4483	REP	323		504	82.12.9651	AMD		E3	507
82.04.4489	AMD		E3	1102	82.12.9651	AMD	37	E3	508
82.04.449	AMD	135		20	82.12.9651	AMD	135		31
82.04.4496	REMD	116		1	82.12.970	AMD		E3	521
82.08	ADD		E3 1	03,105	82.12.970	AMD	37	E3	522
				02,203	82.12.970	AMD	135		32
82.08	ADD	176	_	2	82.12.980	AMD	135		33
82.08.02082	AMD	323		517	82.14.046	REP		E3	51
82.08.02088	AMD	323		518	82.14.390	AMD	164		1
82.08.0293	AMD		E3	101	82.14.457	AMD	323		527
82.08.050	AMD		E3	211	82.14.485	AMD	164		2
82.08.805	AMD	135	20	21	82.14.495	AMD		E3	401
82.08.962	AMD		E3	14	82.14.495	REP	28	E3	404
82.08.963	AMD		E3	15	82.14.500	AMD	28	E3	402
82.08.965	AMD	37	E3	509	82.14.500	REP		E3	404
82.08.965	AMD		E3	510	82.14.820	AMD	176		4
82.08.965	AMD	135	20	22	82.16	ADD		E3	2
82.08.9651	AMD		E3	505					5-9
82.08.9651	AMD		E3	506	82.16	ADD	37	E3	702
82.08.9651	AMD	135		23	82.16.020	AMD	10	E3	14
82.08.970	AMD		E3	519	82.16.0421	AMD	135		34
82.08.970	AMD	37	E3	520	82.16.0496	AMD	116		2
82.08.970	AMD	135		24	82.16.120	AMD		E3	3
82.08.980	AMD	135		25	82.16.130	AMD		E3	4
82.08.986	AMD	135		26	82.18.040	AMD		E3	15
82.12	ADD	28	E3 1	04,106	82.19.040	AMD	1	E3	989
				108	82.19.040	AMD	1	E3	990
82.12	ADD	176		3	82.27.020	AMD	8	E3	53
82.12.010	AMD	323		519	82.27.070	AMD	8	E3	54
82.12.020	AMD	323		520	82.29A.120	AMD	37	E3	1302
82.12.02082	AMD	323		521	82.29A.130	REMD	37	E3	1303
82.12.02088	AMD	323		522	82.29A.137	AMD	135		35
82.12.022	AMD	37	E3	706	82.32	ADD	28	E3 2	09,210
82.12.022	AMD	37	E3	707					214
82.12.022	AMD	135		27	82.32	ADD	37	E3	708
82.12.025651	AMD	135		28	82.32.030	AMD	323		505
82.12.0259	AMD	323		523	82.32.105	AMD	323		106
82.12.0263	AMD	28	E3	107	82.32.350	AMD	323		107
82.12.0293	AMD	28	E3	102	82.32.534	AMD	135		1
82.12.035	AMD	323		524	82.32.580	AMD	37	E3	902
82.12.040	AMD		E3	212	82.32.585	REP	135		2
82.12.040	AMD		E3	213	82.32.590	AMD	135		3
82.12.040	AMD	323		525	82.32.600	AMD	135		4
82.12.805	AMD	135		29	82.32.605	AMD	135		5
82.12.860	AMD	323		526	82.32.607	AMD	135		6

RCW		CH.	SEC.	RCW		CH.	SEC.
82.32.670	AMD	323	401	84.36.381	AMD	13 E3	311
82.32.710	AMD	135	7	84.36.630	AMD	13 E3	312
82.32.790	AMD	37 E3	525	84.36.645	AMD	37 E3	513
82.32.790	REMD	37 E3	526	84.36.645	AMD	37 E3	514
82.32.790	REMD	135	47	84.36.645	AMD	135	45
82.32.790	REMD	323	509	84.36.655	AMD	135	46
82.32.808	AMD	135	8	84.40.042	AMD	109	3
82.42.090	AMD	25 E3	42	84.41.041	AMD	323	507
82.44.180	REP	25 E3	39	84.48.010	AMD	155	1
82.44.190	AMD	25 E3	49	84.48.080	AMD	13 E3	305
82.45.060	AMD	10 E3	13	84.48.110	REMD	13 E3	306
82.45.090	AMD	142	3	84.52.010	REMD	196	9
82.46.037	AMD	16 E3	6	84.52.010	REMD	196	10
82.50.510	REP	25 E3	51	84.52.043	AMD	13 E3	303
82.60.070	AMD	135	36	84.52.043	AMD	13 E3	304
82.63.020	AMD	135	37	84.52.043	AMD	196	11
82.63.045	AMD	135	38	84.52.043	AMD	196	12
82.73	ADD	37 E3	104	84.52.053	AMD	13 E3	201
82.73.020	AMD	37 E3	102	84.52.0531	AMD	6	2
82.73.030	AMD	37 E3	103	84.52.0531	REMD	6	3
82.74.040	AMD	135	39	84.52.0531	AMD	13 E3	202
82.74.050	AMD	135	40	84.52.0531	AMD	13 E3	203
82.75.040	AMD	135	41	84.52.065	AMD	13 E3	301
82.75.070	AMD	135	42	84.52.067	AMD	13 E3	313
82.80.040	REP	25 E3	39	84.52.070	AMD	13 E3	307
82.80.050	REP	25 E3	39	84.52.125	AMD	196	13
82.80.060	REP	25 E3	39	84.52.825	AMD	13 E3	314
82.80.070	AMD	25 E3	43	84.55.010	AMD	13 E3	302
82.82.020	AMD	135	43	84.55.050	AMD	296	2
82.82.040	AMD	135	44	84.55.070	AMD	13 E3	308
82.85.010	AMD	37 E3	801	84.55.092	REMD	13 E3	309
82.85.020	AMD	37 E3	802	84.55.092	AMD	196	3
82.85.040	AMD	37 E3	803	84.55.092	AMD	328	3
83.100.050	AMD	323	601	84.56.020	AMD	142	1
83.100.230	AMD	1 E3	991	84.56.050	AMD	142	2
84.08	ADD	323	1001	84.56.345	AMD	109	2
84.09.030	AMD	328	9	84.69.020	AMD	13 E3	310
84.12.270	AMD	323	529	86.09	ADD	67	2
84.12.330	AMD	323	530	86.09.418	AMD	67	1
84.14.010	AMD	52	16	87.03.015	AMD	63	1
84.16.040	AMD	323	531	87.03.0155	AMD	63	2
84.16.090	AMD	323	532	87.03.115	AMD	63	3
84.33.088	AMD	55	1	87.03.240	AMD	321	1
84.33.089	AMD	323	901	87.03.445	AMD	321	2
84.33.140	REMD	37 E3	1002	87.03.565	AMD	321	3
84.34.070	AMD	251	1002	87.03.820	AMD	321	4
84.34.108	AMD	37 E3	1001	88.02.375	AMD	147	11
84.34.108	REMD	323	506	88.02.640	REMD	17 E3	103
84.34.240	AMD	148	1	88.02.640	REMD	17 E3	103
84.36	ADD	301	2	88.16.070	AMD	88	104
04.30	ADD	501	2	00.10.0/0	AMD	00	1

RCW		CH.	SEC.	RCW	CH.	SEC.
90.56.210	AMD	239	1			
90.71	ADD	54	5			
90.71.010	AMD	54	1			
90.71.280	AMD	54	2			
90.71.290	AMD	54	3			
90.71.310	AMD	54	4			

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LAW	S 2009		LAW	/S 2017	2	5	REP	13	906
Ch.	Sec.	Action	Ch.	Sec.	15	8	AMD	1	993
418	7	AMD	64	1	15	9	AMD	1	994
LAW	S 2009	LAWS	2017 3R	D SP.S.	LAV	VS 2015 3	BRD SP.S.	LAV	VS 201
Ch.	Sec.	Action	Ch.	Sec.	<u>Ch.</u>	Sec.	Action	<u>Ch.</u>	Sec.
548	302	REP	25	8	6	801	AMD	323	303
					6	2301	AMD	323	301
LAW	S 2010		LAW	/S 2017	6	2303	AMD	323	302
Ch.	Sec.	Action	Ch.	Sec.	30	1	AMD	323	304
126	12	REP	64	2	LAV	VS 2015		LAV	VS 201
126	15	REP	64	2					
126	16	REP	64	2	3RD	SP.S.		3R	D SP.S
237	8	AMD	6	7	<u>Ch.</u>	Sec.	Action	<u>Ch.</u>	Sec.
237	9	AMD	6	6	3		ADD	4	6008
237	10	AMD	6	8	3		ADD	4	6010
LAW	S 2010	LAWS	2017 30	D SP S	3	1002	AMD	4	6001
					3	1026	AMD	4	6002
<u>Ch.</u>	Sec.	Action	<u>Ch.</u>	Sec.	3	1028	AMD	4	6003
236	6	REP	25	8	3	3187	AMD	4	6005
LAW	S 2012 1	ST SP.S.	LAW	/S 2017	3	3188	AMD	4	6006
					3	3198	AMD	4	6011
<u>Ch.</u>	<u>Sec.</u>	Action	<u>Ch.</u>	Sec.	3	3200	AMD	4	6012
10	10	AMD	6	5	3	3202	AMD	4	6013
LAW	S 2013		LAW	/S 2017	4		ADD	1	1704
Ch.	Sec.	Action	Ch.	Sec.	4		ADD	1	1705
242	10	AMD	<u>en.</u> 6	4	4		ADD	1	1706
255	1	AMD	64	1	4		ADD	1	1707
255	2	REP	64	2	4	125	ADD	1	1901
255	3	REP	64	2	4	125	AMD	1	1109
200	5	1021	0.	-	4	506 702	AMD	1	1505
LAW	S 2013		LAW	/S 2017	4 38	703 1	AMD REP	1 13	1702 906
2ND	SP.S.		3R	D SP.S.	38	3	REP	13	900
Ch.	Sec.	Action	Ch.	Sec.	38	4	REP	13	900
<u>15</u>	8	AMD	<u>en.</u> 1	<u>992</u>	38	4	KLF	15	900
	S 2014	THUE		VS 2017	LAV	VS 2016		LAV	VS 2017
					<u>Ch.</u>	Sec.	Action	<u>Ch.</u>	Sec.
<u>Ch.</u>	Sec.	Action	<u>Ch.</u>	Sec.	14		ADD	313	1201
13	3	REP	142	4	14	102	AMD	313	801
131	5	AMD	150	2	14	103	AMD	313	802
LAW	S 2015		LAW	/S 2017	14	104	AMD	313	803
		Action			14	201	AMD	313	901
<u>Ch.</u> 182	<u>Sec.</u> 2	<u>Action</u> AMD	<u>Ch.</u> 104	<u>Sec.</u> 3	14	202	AMD	313	902
182 247	2	AMD AMD	290	3 2	14	203	AMD	313	903
247 294	2	REP	290 51	2 1	14	204	AMD	313	904
∠94	2	KEP	31	1	14	205	AMD	313	905
LAW	S 2015	LAWS	2017 3R	D SP.S.	14	206	AMD	313	906
Ch.	Sec.	Action	Ch.	Sec.	14	207	AMD	313	907
2	1	REP	13	<u>906</u>	14	208	AMD	313	908
2	4	REP	13	906	14	209	AMD	313	909
-	•		10	,	14	210	AMD	313	910

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14	211	AMD	313	911	36	112	AMD	1	1101
14	212	AMD	313	912	36	113	AMD	1	1102
14	213	AMD	313	913	36	114	AMD	1	1103
14	214	AMD	313	914	36	117	AMD	1	1104
14	215	AMD	313	915	36	118	AMD	1	1106
14	216	AMD	313	916	36	119	AMD	1	1105
14	217	AMD	313	917	36	120	AMD	1	1107
14	218	AMD	313	918	36	121	AMD	1	1108
14	219	AMD	313	919	36	124	AMD	1	1110
14	220	AMD	313	920	36	125	AMD	1	1111
14	221	AMD	313	921	36	127	AMD	1	1112
14	222	AMD	313	922	36	128	AMD	1	1113
14	223	AMD	313	923	36	130	AMD	1	1114
14	301	AMD	313	1001	36	131	AMD	1	1115
14	302	AMD	313	1002	36	132	AMD	1	1116
14	303	AMD	313	1003	36	134	AMD	1	1117
14	304	AMD	313	1004	36	135	AMD	1	1118
14	305	AMD	313	1005	36	136	AMD	1	1119
14	306	AMD	313	1006	36	137	AMD	1	1120
14	307	AMD	313	1007	36	139	AMD	1	1121
14	308	AMD	313	1008	36	141	AMD	1	1122
14	309	AMD	313	1009	36	143	AMD	1	1123
14	310	AMD	313	1010	36	147	AMD	1	1124
14	311	AMD	313	1011	36	148	AMD	1	1125
14	401	AMD	313	1101	36	149	AMD	1	1126
14	402	AMD	313	1102	36	201	AMD	1	1201
14	403	AMD	313	1103	36	202	AMD	1	1202
14	404	AMD	313	1104	36	203	AMD	1	1203
14	406	AMD	313	1105	36	204	AMD	1	1204
14	407	AMD	313	1106	36	205	AMD	1	1205
14	408	AMD	313	1107	36	206	AMD	1	1206
29	3	AMD	116	3	36	207	AMD	1	1207
202	56	AMD	6	9	36	208	AMD	1	1208
					36	209	AMD	1	1209
LAV	VS 2016	LAWS	5 2017 3R	D SP.S.	36	210	AMD	1	1210
Ch.	Sec.	Action	Ch.	Sec.	36	211	AMD	1	1211
223	7	AMD	3	1	36	212	AMD	1	1212
223	8	AMD	3	2	36	213	AMD	1	1213
223	9	AMD	3	3	36	214	AMD	1	1214
T A 11	10 201 ( 1	CT CD C	TAT	VG 2017	36	216	AMD	1	1215
LAV	VS 2016 I	ST SP.S.		VS 2017	36	217	AMD	1	1216
<u>Ch.</u>	Sec.	Action	Ch.	Sec.	36	218	AMD	1	1217
22	2	AMD	175	2	36	219	AMD	1	1218
TAV	VS 2016		LAV	VS 2017	36	220	AMD	1	1219
					36	221	AMD	1	1220
1ST	SP.S.		3R	D SP.S.	36	301	AMD	1	1301
Ch.	Sec.	Action	Ch.	Sec.	36	302	AMD	1	1302
35	1008	AMD	4	6004	36	303	AMD	1	1303
35	1016	AMD	4	6014	36	304	AMD	1	1304
35	2011	AMD	4	6007	36	305	AMD	1	1305
35	3018	AMD	4	6009	36	306	AMD	1	1306
35	6015	AMD	4	6016	36	307	AMD	1	1307

36	308	AMD	1	1308
36	310	AMD	1	1309
36	311	AMD	1	1310
36	402	AMD	1	1401
36	501	AMD	1	1501
36	502	AMD	1	1502
36	503	AMD	1	1503
36	504	AMD	1	1504
36	505	AMD	1	1506
36	506	AMD	1	1507
36	507	AMD	1	1508
36	508	AMD	1	1509
36	509	AMD	1	1510
36	511	AMD	1	1511
36	512	AMD	1	1512
36	513	AMD	1	1513
36	514	AMD	1	1514
36	516	AMD	1	1515
36	517	AMD	1	1516
36	602	AMD	1	1601
36	603	AMD	1	1602
36	604	AMD	1	1603
36	605	AMD	1	1604
36	606	AMD	1	1605
36	607	AMD	1	1606
36	608	AMD	1	1607
36	609	AMD	1	1608
36	610	AMD	1	1609
36	611	AMD	1	1610
36	612	AMD	1	1611
36	613	AMD	1	1612
36	615	AMD	1	1613
36	617	AMD	1	1614
36	701	AMD	1	1701
36	706	AMD	1	1703
36	801	AMD	1	1801
36	804	AMD	1	1802
50	004	TIMD	1	1002
LAW	S 2017	LAWS	2017 3R	D SP.S.
<u>Ch.</u>	Sec.	Action	<u>Ch.</u>	Sec.
313		ADD	1	726
313		ADD	1	727
313		ADD	1	728
313		ADD	1	729
313		ADD	1	730
313		ADD	1	731
313		ADD	1	732
313		ADD	1	733
313		ADD	1	735
313		ADD	1	736
313	201	AMD	1	995
313	501	REP	1	725

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# STATE MEASURES FILED WITH THE SECRETARY OF STATE

**INITIATIVES TO THE PEOPLE** 

For information on Initiatives to the People, see <u>http://secstate.wa.gov/elections/</u> <u>initiatives/statistics.aspx</u>. For additional information, call the Office of the Secretary of State at (360) 902-4180.

# INITIATIVES TO THE LEGISLATURE

For information on Initiatives to the Legislature, see <u>http://secstate.wa.gov/</u> <u>elections/initiatives/statistics.aspx</u>. For additional information, call the Office of the Secretary of State at (360) 902-4180.

# **REFERENDUM MEASURES**

For information on Referendum Measures, see <u>http://secstate.wa.gov/</u><u>elections/initiatives/statistics.aspx</u>. For additional information, call the Office of the Secretary of State at (360) 902-4180.

# **REFERENDUM BILLS**

For information on Referendum Bills, see <u>http://secstate.wa.gov/elections/</u> <u>initiatives/statistics.aspx</u>. For additional information, call the Office of the Secretary of State at (360) 902-4180.

# HISTORY OF CONSTITUTIONAL AMENDMENTS ADOPTED SINCE STATEHOOD

- No. 1. Section 5, Article XVI. Re: Permanent School Fund. Adopted November, 1894.
- No. 2. Section 1, Article VI. Re: Qualification of Electors. Adopted November, 1896.
- No. 3. Section 2, Article VII. Re: Uniform Rates of Taxation. Adopted November, 1900.
- No. 4. Section 11, Article I. Re: Religious Freedom. Adopted November, 1904.
- No. 5. Section 1, Article VI. Re: Equal Suffrage. Adopted November, 1910.
- No. 6. Section 10, Article III. Re: Succession in Office of Governor. Adopted November, 1910.
- No. 7. Section 1, Article II. Re: Initiative and Referendum. Adopted November, 1912.
- No. 8. Adding Sections 33 and 34, Article I. Re: Recall. Adopted November, 1912.
- No. 9. Section 16, Article I. Re: Taking of Private Property. Adopted November, 1922.
- No. 10. Section 22, Article I. Re: Right of Appeal. Adopted November, 1922.
- No. 11. Section 4, Article VIII. Re: Appropriation. Adopted November, 1922.
- No. 12. Section 5, Article XI. Re: Consolidation of County Offices. Adopted November, 1924.
- No. 13. Section 15, Article II. Re: Vacancies in the Legislature. Adopted November, 1930.
- No. 14. Article VII. Re: Revenue and Taxation. Adopted November, 1930.
- No. 15. Section 1, Article XV. Re: Harbors and Harbor Areas. Adopted November, 1932.
- No. 16. Section 11, Article XII. Re: Double Liability of Stockholders. Adopted November, 1940.
- No. 17. Section 2, Article VII. Re: 40-Mill Tax Limit. Adopted November, 1944.
- No. 18. Adding Section 40, Article II. Re: Restriction of motor vehicle license fees and excise taxes on motor fuels to highway purposes only. Adopted November, 1944.
- No. 19. Adding Section 3, Article VII. Re: State to tax the United States and its instrumentalities to the extent that the laws of the United States will allow. Adopted November, 1946.
- No. 20. Adding Section 1, Article XXVIII. Re: Legislature to fix the salaries of state elective officials. Adopted November, 1948.
- No. 21. Section 4, Article XI. Re: Permit counties to adopt "Home Rule" charters. Adopted November, 1948.
- No. 22. Repealing Section 7 of Article XI. Re: **County elective officials.** (These officials can now hold same office more than two terms in succession.) Adopted November, 1948.
- No. 23. Adding Section 16, Article XI. Re: Permitting the formation, under a charter, of combined city and county municipal corporations having a population of 300,000 or more. Adopted November, 1948.
- No. 24. Article II, Section 33. Re: Permitting ownership of land by Canadians who are citizens of provinces wherein citizens of the State of Washington may own land. (All provinces of Canada authorize such ownership.) Adopted November, 1950.

- No. 25. Adding Section 3(a), Article IV. Re: Establishing Retirement Age for Judges of Supreme and Superior Courts. Adopted November, 1952.
- No. 26. Adding Section 41, Article II. Re: Permitting the Legislature to Amend Initiative Measures. Adopted November, 1952.
- No. 27. Section 6, Article VIII. Re: Extending Bonding Powers of School Districts. Adopted November, 1952.
- No. 28. Sections 6 and 10, Article IV. Re: Increasing Monetary Jurisdiction of Justice Courts. Adopted November, 1952.
- No. 29. Article II, Section 33. Re: Redefining "Alien," thereby permitting the Legislature to determine the policy of the state respecting the ownership of land by corporations having alien shareholders. Adopted November, 1954.
- No. 30. Adding Section 1A, Article II. Re: Increasing the number of signatures necessary to certify a state initiative or referendum measure. Adopted November, 1956.
- No. 31. Section 25, Article III. Re: Removing the restriction prohibiting the state treasurer from being elected for more than one successive term. Adopted November, 1956.
- No. 32. Section 2, Article XV. Re: Filling vacancies in the state legislature. Adopted November, 1956.
- No. 33. Section 1, Article XXIV. Re: Modification of state boundaries by compact. Adopted November, 1958.
- No. 34. Section 11, Article I. Re: Employment of chaplains at state institutions. Adopted November, 1958.
- No. 35. Section 25, Article II. Re: Pensions and Employees' Extra Compensation. Adopted November, 1958.
- No. 36. Section 1, Article II by adding a new subsection (e). Re: Publication and Distribution of Voters' Pamphlet. Adopted November, 1962.
- No. 37. Section 1, Article XXIII. Re: Publication of Proposed Constitutional Amendments. Adopted November, 1962.
- No. 38. Adding Section 2(c), Article IV. Re: Temporary Performance of Judicial Duties. Adopted November, 1962.
- No. 39. Adding Section 42, Article II. Re: Governmental Continuity During Emergency Periods. Adopted November, 1962.
- No. 40. Section 10, Article XI. Re: Lowering minimum population for first class cities from 20,000 to 10,000. Also changing newspaper publication requirements for proposed charters. Adopted November, 1964.
- No. 41. Section 29, Article IV. Re: Election of Superior Court Judges. Adopted November, 1966.
- No. 42. Repealing Section 33, Article II and Amendments 24 and 29. Re: Alien Ownership of Lands. Adopted November, 1966.
- No. 43. Section 3, Article IX. Re: Funds for Support of the Common Schools. Adopted November, 1966.

- No. 44. Section 5, Article XVI. Re: Investment of Permanent Common School Fund. Adopted November, 1966.
- No. 45. Adding Section 8, Article VIII. Re: Port Expenditures—Industrial Development— Promotion. Adopted November, 1966.
- No. 46. Adding Section 1A, Article VI. Re: Voter Qualifications for Presidential Elections. Adopted November, 1966.
- No. 47. Adding Section 10, Article VII. Re: Retired Persons Property Tax Exemption. Adopted November, 1966.
- No. 48. Section 3, Article VIII. Re: Public Special Indebtedness, How Authorized. Adopted November, 1966.
- No. 49. Adding Section 1, Article XXIX. Re: Investments of Public Pension and Retirement Funds. Adopted November, 1968.
- No. 50. Adding Section 30, Article IV. Re: Court of Appeals. Adopted November, 1968.
- No. 51. Adding Section 9, Article VIII. Re: State Building Authority. Adopted November, 1968.
- No. 52. Section 15, Article II. Re: Vacancies in Legislature and in Partisan County Elective Office. Also amending Section 6, Article XI. Re: Vacancies in Township, Precinct or Road District Office. Adopted November, 1968.
- No. 53. Adding Section 11, Article VII. Re: Taxation Based on Actual Use. Adopted November, 1968.
- No. 54. Adding Section 1, Article XXX. Re: Authorizing Compensation Increase During Term. Adopted November, 1968.
- No. 55. Section 2, Article VII. Re: Limitation on Levies. Adopted November, 1972.
- No. 56. Section 24, Article II. Re: Lotteries and Divorce. Adopted November, 1972.
- No. 57. Section 5, Article XI. Re: County Government. Adopted November, 1972.
- No. 58. Section 16, Article XI. Re: Combined City-County. Adopted November, 1972.
- No. 59. Section 2, Article VII. Re: Limitation on Levies. Adopted November, 1972.
- No. 60. Section 1, Article VIII. Re: State Debt. Also amending Section 3, Article VIII. Re: Special Indebtedness, How Authorized. Approved November, 1972.
- No. 61. Adding new Article XXXI. Re: Sex Equality, Rights and Responsibilities. Adopted November, 1972.
- No. 62. Section 12, Article III. Re: Veto Power. Adopted November, 1974.
- No. 63. Section 1, Article VI. Re: Qualifications of Electors. Adopted November, 1974.
- No. 64. Section 2, Article VII. Re: Limitation on Levies. Adopted November, 1976.
- No. 65. Section 6, Article IV. Re: Jurisdiction of Superior Courts. Also amending Section 10, Article IV. Re: Justices of the Peace. Adopted November, 1976.
- No. 66. Section 18, Article XII. Re: Rates for Transportation. Adopted November, 1977.
- No. 67. Repealing Section 14, Article XII. Re: **Prohibition Against Combinations by Carriers.** Adopted November, 1977.

- No. 68. Section 12, Article II. Re: Legislative Sessions, When—Duration. Adopted November, 1979.
- No. 69. Section 13, Article II. Re: Limitation on Members Holding Office in the State. Adopted November, 1979.
- No. 70. Adding Section 10, Article VIII. Re: Residential Energy Conservation. Adopted November, 1979.
- No. 71. Adding Section 31, Article IV. Re: Judicial Qualifications Commission—Removal, Censure, Suspension, or Retirement of Judges or Justices. Adopted November, 1980.
- No. 72. Sections 1 and 1(a), Article II. Re: Legislative Powers, Where Vested and Initiative and Referendum, Signatures Required. Adopted November, 1981.
- No. 73. Adding Section 1, Article XXXII. Re: Special Revenue Financing. Adopted November, 1981.
- No. 74. Adding Section 43, Article II. Re: Redistricting. Adopted November, 1983.
- No. 75. Section 1, Article XXIX. Re: May be Invested as Authorized by Law. Adopted November, 1985.
- No. 76. Adding Section 11, Article VIII. Re: Agricultural Commodity Assessments— Development, Promotion, and Hosting. Adopted November, 1985.
- No. 77. Section 31, Article IV. Re: Commission on Judicial Conduct—Removal, Censure, Suspension, or Retirement of Judges or Justices—Proceedings. Adopted November, 1986.
- No. 78. Section 1, Article XXVIII. Re: Salaries for Legislators, Elected State Officials, and Judges—Independent Commission—Referendum. Adopted November, 1986.
- No. 79. Section 2, Article VII. Re: Limitation on Levies. Adopted November, 1986.
- No. 80. Section 7, Article IV. Re: Exchange of judges—Judge Pro Tempore. Adopted November, 1987.
- No. 81. Section 1, Article VII. Re: Taxation. Adopted November, 1988.
- No. 82. Section 10, Article VIII. Re: Residential Energy Conservation. Adopted November, 1988.
- No. 83. Section 3, Article VI. Re: Who disqualified. Also amending Section 1, Article XIII. Re: Educational, reformatory and penal institutions. Adopted November, 1988.
- No. 84. Adding Section 35, Article I. Re: Victims of Crimes-Rights. Adopted November, 1989.
- No. 85. Section 31, Article IV. Re: Commission on Judicial Conduct. Adopted November, 1989.
- No. 86. Section 10, Article VIII. Re: Energy and Water Conservation Assistance. Adopted November, 1989.
- No. 87. Section 6, Article IV. Re: Jurisdiction of Superior Courts. Adopted November, 1993.
- No. 88. Section 11, Article I. Re: Religious Freedom. Adopted November, 1993.
- No. 89. Section 3, Article 4. Re: Election and Terms of Supreme Court Judges. Adopted November, 1995.
- No. 90. Section 2, Article VII. Re: Limitation on levies. Adopted November, 1997.

- No. 91. Section 10, Article VIII. Re: Energy, water, or stormwater or sewer services conservation assistance. Adopted November, 1997.
- No. 92. Section 1, Article VIII. Re: State debt. Adopted November, 1999.
- No. 93. Section 1, Article XXIX. Re: May be invested as authorized by law. Adopted November, 2000.
- No. 94. Section 7, Article IV. Re: Exchange of judges Judge pro tempore. Adopted November, 2001.
- No. 95. Section 2, Article VII. Re: Limitation on levies. Adopted November, 2002.
- No. 96. Section 15, Article II. Re: Vacancies in legislative and in partisan county elective office. Adopted November 2003.
- No. 97. Section 31, Article IV. Re: Commission on judicial conduct. Adopted November, 2005.
- No. 98. Section 1, Article VII. Re: Taxation. Adopted November 2006.
- No. 99. Section 12, Article VII. Re: Budget stabilization account. Adopted November 2007.
- No. 100. Section 29, Article II. Re: Convict labor. Adopted November 2007.
- No. 101. Section 2, Article VII. Re: Limitation of levies. Adopted November 2007.
- No. 102. Section 6, Article XVI. Re: Investment of higher education permanent funds. Adopted November 2007.
- No. 103. Section 1, Article VIII. Re: State debt. Adopted November 2010.
- No. 104. Section 20, Article I. Re: Bail, when authorized. Adopted November 2010.
- No. 105. Section 1A, Article VI. Re: Voter qualifications for presidential elections. Adopted November 2011.
- No. 106. Section 12, Article VII. Re: Budget stabilization account. Adopted November 2011.
- No. 106. Section 12, Article VII. Re: Budget stabilization account. Adopted November 2011.
- No. 107. Section 1, Article VIII. Re: State debt. Adopted November 2012.
- No. 108. Section 43, Article II. Re: Redistricting. Adopted November 2016.