FIFTY FIRST DAY

House Chamber, Olympia, Tuesday, March 4, 2014

The House was called to order at 10:00 a.m. by the Speaker (Representative Moeller presiding). The Clerk called the roll and a quorum was present.

The flags were escorted to the rostrum by a Sergeant at Arms Color Guard, Pages Elise Wohler and James Juntti. The Speaker (Representative Moeller presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Pastor Paul Casey, Central United Protestant Church, Richmond, Washington.

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

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

INTRODUCTION & FIRST READING

SSB 6259 by Senate Committee on Ways & Means (originally sponsored by Senators Hargrove, Hatfield, Braun and Hobbs)

AN ACT Relating to providing a reduced public utility tax for log transportation businesses; amending RCW 82.16.020; reenacting and amending RCW 82.16.010; creating a new section; and providing an effective date.

Referred to Committee on Finance.

SB 6340 by Senator Hill

AN ACT Relating to aligning student transportation formulas with 2013 session laws; amending RCW 28A.160.192; adding a new section to chapter 28A.715 RCW; and providing an effective date.

Referred to Committee on Appropriations.

2SSB 6402 by Senate Committee on Ways & Means (originally sponsored by Senators Honeyford, Hatfield, Brown, Dansel, Parlette and Bailey)

AN ACT Relating to defining honey bee products and services as an agricultural product; amending RCW 82.04.330, 82.04.050, and 82.08.855; reenacting and amending RCW 82.04.213; creating new sections; repealing RCW 82.04.629, 82.04.630, 82.08.0204, 82.12.0204, 82.08.200, 82.12.200, and 43.136.047; and providing an effective date.

Referred to Committee on Finance.

SB 6497 by Senators McCoy, Chase, Hasegawa, Conway, Fain, Kohl-Welles and McAuliffe

AN ACT Relating to the minority and women's business enterprises account; and amending RCW 39.19.200.

Referred to Committee on Appropriations.

ESB 6550 by Senators Holmquist Newbry, Hobbs, Parlette, Liias, Hewitt, Hatfield, Fain, Conway, McAuliffe and Mullet

AN ACT Relating to providing a sales and use tax exemption for sales and uses related to eligible server equipment and power infrastructures installed in eligible computer data centers; amending RCW 82.08.986 and 82.12.986; creating a new section; and providing expiration dates.

Referred to Committee on Finance.

There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

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

SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 6020, by Senate Committee on Ways & Means (originally sponsored by Senators Honeyford and Keiser)

Concerning the 2013-2015 supplemental capital budget.

The bill was read the second time.

With the consent of the house, amendment (822) was withdrawn.

Representative Dunshee moved the adoption of amendment (816).

(Format Changed to Accommodate Text)

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A supplemental capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period beginning with the effective date of this act and ending June 30, 2015, out of the several funds specified in this act.

PART 1

GENERAL GOVERNMENT

NEW SECTION. **Sec. 1001.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE OFFICE OF THE SECRETARY OF STATE

Archives Facilities Maintenance Environmental Control (30000028)

Appropriation:

State Building Construction Account--State $46,000

Prior Biennia (Expenditures)..... $0

Future Biennia (Projected Costs) $0

TOTAL $46,000

NEW SECTION. **Sec. 1002.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE OFFICE OF THE SECRETARY OF STATE

Library and Archives Building (30000029)

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

(1) The appropriation in this section 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.

(2) The study will consider the use of the general administration building site as a possible location. Any benefits or consequences may be identified at this site or other sites considered.

(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 shall be a high performance building and the construction shall be procured using a performance based method including design-build or design-build-operate-maintain.

Appropriation:

State Building Construction Account--State $250,000

Prior Biennia (Expenditures)..... $0

Future Biennia (Projected Costs) $0

TOTAL $250,000

NEW SECTION. **Sec. 1003.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Building for the Arts Grants (30000006)

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

(1) The reappropriation in this section is subject to the provisions of section 1011, chapter 36, Laws of 2010 1st sp. sess.

(2) The reappropriation in this section is provided solely for the Federal Way performing arts center.

Reappropriation:

State Building Construction Account--State..... $218,000

Prior Biennia (Expenditures)..... $8,481,000

Future Biennia (Projected Costs) $0

TOTAL $8,699,000

Sec. 1004. 2013 2nd sp.s. c 19 s 1073 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Drinking Water State Revolving Fund Loan Program (30000189)

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

(1) ((~~$4,400,000 for fiscal year 2014 and~~)) $4,400,000 from the drinking water assistance account--state for fiscal year 2015 is provided solely as state match for federal safe drinking water funds.

(2) For projects involving repair, replacement, or improvement of a clean water infrastructure facility or other public works facility for which an investment grade efficiency audit is 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 drinking water state revolving fund program loan.

Appropriation:
((~~State Building Construction Account--State~~ ..... ~~$8,800,000~~))
Drinking Water Assistance Account--State $4,400,000
Drinking Water Assistance Repayment Account--State $200,000,000
Subtotal Appropriation ..... ((~~$208,800,000~~))
$204,400,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $680,000,000
TOTAL ((~~$888,800,000~~))
$884,400,000

NEW SECTION. **Sec. 1005.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMERCE

High Energy Efficient Housing Demonstration (30000708)

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

(1) The appropriation in this section is provided solely for a demonstration program making loans or grants to low-income housing developers for ultra-high energy efficient housing projects including single and multifamily units. The program's purpose is to apply ultra- high energy efficiency design and build strategies and technologies to the construction of affordable housing, in order to increase housing affordability for low-income households and reduce consumption of limited natural resources.

(2) In consultation with professional building, energy efficiency, and housing finance organizations, the office of financial management, and the appropriate legislative staff, the department shall develop and implement a competitive program by December 1, 2014, that is designed to fund and evaluate ultra-high energy efficient housing projects.

(3) To receive funding, a project must:

(a) Demonstrate energy-saving and renewable energy systems designed to reduce building energy use by fifty percent or more after the housing is fully occupied, compared to the current edition of the Washington state energy code;

(b) Propose to use a performance-based design and build process; and,

(c) Provide a life-cycle cost analysis report to the department.

(4) At least one of the projects selected for funding must demonstrate energy-saving and renewable energy systems designed to achieve net zero energy use after the housing is fully occupied.

(5) The department must consider, at a minimum and in any order, the following factors in assigning a numerical ranking to a project:

(a) Whether the proposed design demonstrates that the project will achieve a fifty percent or greater reduction in building energy use when fully occupied, compared to the current edition of the Washington state energy code. Points for this factor must be awarded so that the greater the reduction in energy use, the higher the number of points.

(b) The life-cycle cost of the project;

(c) That the project demonstrates a design, use of materials, and construction process that can be replicated by the Washington building industry;

(d) The extent to which the project leverages nonstate funds;

(e) The extent to which the project is ready to proceed to construction;

(f) Whether the project promotes sustainable use of resources and environmental quality;

(g) Whether the project is being well-managed to fund maintenance and capital depreciation;

(h) Reduction of housing and utilities carbon footprint; and,

(i) Other criteria that the department considers necessary to achieve the purpose of this program.

(6) By October 1, 2015, the department shall submit a report to the governor and legislative fiscal committees on the results of the demonstration project, including a benefit-cost analysis of designing projects to reach net-zero energy use.

Appropriation:
State Taxable Building Construction Account--State $5,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $5,000,000

NEW SECTION. **Sec. 1006.** A new section is added to 2013 2nd sp.s c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Capital Funding for Weatherization (30000707)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for low-income weatherization through the energy matchmakers program.

Appropriation:
State Taxable Building Construction Account--State $2,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $2,000,000

Sec. 1007. 2013 2nd sp.s. c 19 s 1074 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Clean Energy and Energy Freedom Program (91000582)

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

(1) All expenditures from the state taxable building construction account--state appropriation in this section must be used 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. All expenditures must be used for projects that develop and acquire assets that have a useful life of at least thirteen years. These requirements must be specified in funding agreements issued by the department.

(2) For any project funded from the state taxable building construction account--state appropriation in this section, state funds must 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.

(3)(a) $15,000,000 of the state taxable building construction account--state appropriation in this section is provided solely to create a revolving loan fund to support the widespread use of proven building energy efficiency and renewable energy technologies now inhibited by lack of access to capital.

(b) To create the loan fund, the department shall provide grant funds to a competitively selected nonprofit lender that will provide matching private capital and will administer the loan fund. The department must select the loan fund administrator 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 for the lender related to applicant eligibility, the screening process, and evaluation and selection criteria. The criteria must include requiring evidence of support for the proposed project from the impacted community and consistency with economic growth strategies and plans of the affected local governments. Applications for loans from the revolving fund must disclose all sources of public funding to be provided for a project. The nonprofit lender must use the revolving loan fund to make affordable loans for projects including, but not limited to: Residential and commercial 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.

(d) The department must conduct due diligence activities associated with the use of public funds, including oversight of the project selection process and project monitoring.

(e) Projects seeking financing of solar installations under this section must agree in contract to not participate in the cost-recovery program under RCW 82.16.120.

(4) $15,000,000 of the state taxable building construction account--state appropriation in this section is provided solely for grants to advance renewable energy technologies by public and private electrical utilities that serve retail customers in the state. The department shall work with utilities to offer matching grants for projects that demonstrate new smart grid technologies. 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. Applications for grants must disclose all sources of public funding to be provided for a project. The grant funds must be used to fund projects that demonstrate how to: Integrate intermittent renewables through energy storage and information technology, dispatch energy storage resources from utility control rooms, use the thermal properties and electric load of commercial buildings and district energy systems to store energy, or otherwise improve the reliability and reduce the costs of intermittent or distributed renewable energy.

(5) $6,000,000 of the state taxable building construction account-- state appropriation in this section is provided solely for grants to match federal funds used to develop and demonstrate clean energy technologies. The department shall work with the University of Washington, Washington State University, and the Pacific Northwest National Laboratory to offer matching funds for projects including, but not limited to: Advancing energy storage and solar technologies, and federal manufacturing innovation centers related to use of light-weight carbon fiber components to advance energy efficiency in the aeronautical, automotive, and marine sectors.

(6) The department must report on number and results of projects funded 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, 2014.

(7) The energy recovery act account--federal appropriation in this section is provided solely for loans, loan guarantees, and grants that encourage the establishment of innovative and sustainable industries for renewable energy and energy efficiency technology, consistent with provisions of RCW 43.325.040 (energy freedom account).

Appropriation:
State Taxable Building Construction Account--State $36,000,000
Energy Recovery Act Account--((~~Federal~~)) State $4,000,000
Subtotal Appropriation $40,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $40,000,000

Sec. 1008. 2013 3rd sp.s. c 1 s 3 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Renton Aerospace Training Center Construction ((~~(92000151)~~)) (30000724)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for construction of the Renton aerospace training center. ((~~This funding is in addition to funding provided in section 1077, chapter 19, Laws of 2013 2nd sp. sess. (uncodified).~~))

Appropriation:
State Building Construction Account--State ..... ((~~$5,000,000~~)) $10,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL ((~~$5,000,000~~)) $10,000,000

Sec. 1009. 2013 2nd sp.s. c 19 s 1077 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Projects for Jobs and Economic Development (92000151)

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

(1) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriations 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 appropriations are 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) The appropriations are provided solely for the following list of projects:

Projects for Jobs & Economic Development	**Authorized Amount**
City of Bremerton Puget Sound Naval Safety Project	$1,300,000
Fairchild Airforce Base	$2,700,000
City of Lynnwood Main Street Improvements	$250,000
Port of Everett: Roll-On/Roll-Off Cargo Berth	$1,500,000
Kittitas County Infrastructure and Facilities	$5,000,000
City of Kennewick Industrial Land	$1,000,000
Perry Tech Institute Building	((~~$1,000,000~~)) $2,000,000
City of Buckley Drinking Water Improvements	$350,000
((~~Coronado~~)) Carbonado Reservoir Replacement	$525,000
Hopelink Cleveland Street Project	$1,000,000
Redmond Connector	$1,300,000
Washougal ((~~Storm Water Decant Facility~~)) Wastewater Treatment Plant	$1,000,000
Roslyn Renaissance Northwest Improvement Company Building	$500,000
Everett/Tulalip Water Pipeline Construction	$1,000,000
((~~Renton Aerospace Training Center Construction~~	~~$5,000,000~~))

Renton Riverview Bridge Replacement	$1,100,000
Omak City Sewer, Collection System, and Treatment Plant	$2,000,000
Harper Pier Replacement	$800,000
University Place Main Street Redevelopment	$975,000
Sultan Alder Avenue Water/Sewer Line Replacement	$185,000
Quincy Industrial Water Reclamation & Reuse	$700,000
NW Medical School	$136,000
Ione - 8th St Lift Station Replacement	$165,000
Stevens PUD Projects	$532,000
Port Orchard Bay St. Pedestrian Path - Phase 2	$336,000
Dekalb Pier - Phase 2	((~~$255,000~~)) $755,000
Kenmore Village	$300,000
South Kirkland TOD/Cross Kirkland Corridor	((~~$1,300,000~~)) $1,500,000
Washington Agriculture Discovery Center	$100,000
Mountlake Terrace Mainstreet Grant	$2,000,000
Issaquah - North Roadway Network Improvement	$5,000,000
TRIDEC Development of Small Modular Reactor Proposal	$500,000
City of Shelton Wastewater	$1,500,000
Port of Moses Lake Firefighting System	$300,000
Seattle Chinatown/ID Development	$500,000
TOTAL	((~~$42,109,000~~)) $38,809,000

Appropriation:
State Building Construction Account--State ..... ((~~$35,009,000~~)) $31,709,000
Public Facility Construction Loan Revolving Account--State $7,100,000
Subtotal Appropriation ..... ((~~$42,109,000~~)) $38,809,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL ((~~$42,109,000~~)) $38,809,000

Sec. 1010. 2013 2nd sp.s. c 19 s 1078 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Projects That Strengthen Communities and Quality of Life (92000230)

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

(1) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete

the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is 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) $1,500,000 of the appropriation in this section from the state building construction account--state is provided solely for design development to align ongoing planning for the replacement of the Seattle multimodal terminal at Colman dock with the creation of a public park. The scope of work must provide a design plan that includes an elevated park and corresponding amenities above the terminal. Design development shall be delivered through the city of Seattle. The scope of this project does not preclude any current plans for Colman dock to replace or seismically upgrade the facility, nor does it reduce the amount of general and commercial traffic, high occupancy vehicles, transit, bicyclist and pedestrian movement.

(8) $500,000 of the appropriation from the environmental legacy stewardship account--state is provided solely for an investigation of possible contaminated soils around the Colman dock.

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

Projects that Strengthen Communities & Quality of Life	**Authorized Amount**
Ft. Vancouver - Mother Joseph Academy & Infantry Barracks	$1,000,000
LaConner Boardwalk	$1,600,000
Kent Interurban Trail Connector	((~~$750,000~~)) $1,350,000
Town of Concrete Public Safety Building	$785,000
Complete Development of Ashford Park Facilities	$1,000,000
Jackson Park Renovation	$1,000,000
South Whatcom Library Construction	$90,000
Guemes Channel Trail Project	$700,000
Seabrook Trail	$437,000
Vashon Island Allied Arts	$2,000,000
Federal Way Performing Arts	$2,000,000
Japanese Gulch Land Acquisition	$1,000,000
Milton - Triangle Park ADA Upgrades	$225,000
Langston Hughes Performing Arts Center - Storage	$150,000
Wood Pellet Heat in Schools Pilot	$500,000
Snohomish County Sheriff's Office South Precinct	$1,000,000
Ravensdale Park	$650,000
Worthington Park	$210,000
Eastside Tacoma Community Center	$400,000
((~~228th Street Trail~~	~~$500,000~~))

Institute for Community Leadership	$275,000
FISH of Vancouver/Nonprofit Community Service Center	$1,000,000
Yelm Community Center	$1,000,000
Ellensburg Depot	$500,000
Roslyn City Hall	$400,000
Northwest Carriage Museum	$375,000
People's Community Center and Pool	$500,000
((~~Town of Concrete Fire and Life Safety Facility~~	~~$500,000~~))
Chehalis Pool	$250,000
Mount Rainier Park Ranger Memorial	$60,000
McAllister Air Museum	$500,000
Repairs to Stevenson Grange	$50,000
Meydenbauer Park Improvements	$3,000,000
Sixty Acres Park Enhancements	$750,000
Covington Community Park Phase 2	$2,100,000
Johnson Farm Museum - Anderson Island	$250,000
Nikolai Project	$40,000
Ft. Steilacoom Building Preservation	$250,000
Plaza Roberto Maestas - Building the Beloved Community	$1,000,000
Seattle Multimodal Terminal at Colman Dock/Public Park	$2,000,000
Confluence Project	$747,000
Castle Rock Citywide Residential Street Project	$504,000
UWAVE	$30,000
Transit-Community Center	$800,000
Mt. Spokane Lodge	$250,000
TOTAL	((~~$33,128,000~~)) $32,728,000

Appropriation:
State Building Construction Account--State ..... ((~~$32,628,000~~)) $32,228,000
Environmental Legacy Stewardship Account--State $500,000
Subtotal Appropriation ..... ((~~$33,128,000~~)) $32,728,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL ((~~$33,128,000~~))

$32,728,000

Sec. 1011. 2013 2nd sp.s. c 19 s 1064 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Housing for Homeless Veterans (91000455)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided for the ranked list of projects in the category "Housing for Homeless Veterans" in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall evaluate projects on the LEAP list and allocate the funding based on the requirements of RCW 43.185.050 and 43.185.070. Upon review of a completed application, if the department determines that a project is not eligible or is not ready to proceed, the department may reallocate the funding to a project in another category in the LEAP list, or to the highest ((~~ranking~~)) ranked, ready-to-proceed project on the alternate list in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall, at its discretion, determine the actual amount of funding to be allocated to each project, provided that the total allocation does not exceed the appropriation provided in this section.

Appropriation:

State Taxable Building Construction Account--State $9,367,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $9,367,000

Sec. 1012. 2013 2nd sp.s. c 19 s 1065 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Housing for Farmworkers (91000457)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided for the ranked list of projects in the category "Housing for Farmworkers" in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall evaluate projects on the LEAP list and allocate the funding based on the requirements of RCW 43.185.050 and 43.185.070. Upon review of a completed application, if the department determines that a project is not eligible or is not ready to proceed, the department may reallocate the funding to a project in another category on the LEAP list, or to the highest ((~~ranking~~)) ranked, ready- to-proceed project on the alternate list in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall, at its discretion, determine the actual amount of funding to be allocated to each project, provided that the total allocation does not exceed the appropriation provided in this section.

Appropriation:

State Taxable Building Construction Account--State $27,050,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $27,050,000

Sec. 1013. 2013 2nd sp.s. c 19 s 1066 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Housing for People with Developmental Disabilities (91000458)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided for the ranked list of projects in the category "Housing for People with Developmental Disabilities" in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall evaluate projects on the LEAP list and allocate the funding based on the requirements of RCW 43.185.050 and 43.185.070. Upon review of a completed application, if the department determines that a project is not eligible or is not ready to proceed, the department may reallocate the funding to a project in another category on the LEAP list, or to the highest ((~~ranking~~)) ranked, ready-to-proceed project on the alternate list in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall, at its discretion, determine the actual amount of funding to be allocated to each project, provided that the total allocation does not exceed the appropriation provided in this section.

Appropriation:

State Taxable Building Construction Account--State $9,019,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0

TOTAL $9,019,000

Sec. 1014. 2013 2nd sp.s. c 19 s 1067 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Housing for People with Chronic Mental Illness (91000459)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided for the ranked list of projects in the category "Housing for People with Chronic Mental Illness" in LEAP capital document No. 2013- 1A, developed April 10, 2013. The department shall evaluate projects on the LEAP list and allocate the funding based on the requirements of RCW 43.185.050

and 43.185.070. Upon review of a completed application, if the department determines that a project is not eligible or is not ready to proceed, the department may reallocate the funding to a project in another category in the LEAP list, or to the highest ((~~ranking~~)) ranked, ready-to-proceed project on the alternate list in LEAP capital document No. 2013-1A, developed April 10, 2013. The department shall, at its discretion, determine the actual amount of funding to be allocated to each project, provided that the total allocation does not exceed the appropriation provided in this section.

Appropriation:
State Taxable Building Construction
Account--State $6,064,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $6,064,000

NEW SECTION. **Sec. 1015.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Involuntary Evaluation and Treatment Beds (91000592)

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

(1) The appropriation in this section is provided solely for the department, in collaboration with the department of social and health services, to issue grants to community hospital or free-standing evaluation and treatment facilities providing new or increased capacity for short term psychiatric detention and commitment services in the King county regional support network, Spokane regional support network outside of Spokane county, and Thurston/Mason regional support networks. If the department cannot provide funds for a project within each of these three regional support networks, they may, in collaboration with the department of social and health services, consider other locations.

(2) These funds must not be used in settings that meet the criteria to be classified under federal law as institutions for mental diseases. Funds may be used for construction and equipment costs associated with establishment of the new or increased capacity in these settings. These funds must not be used for operating costs associated with the treatment of patients using these services.

(3) In order to receive funding, each of the projects must be identified by the department of social and health services and the regional support network and provide:

(a) Evidence that the project has been developed in collaboration with one or more regional support networks, as defined in RCW 71.24.025;

(b) Evidence that the project will serve persons who are publicly funded and persons detained under the involuntary treatment act under chapter 71.05 RCW;

(c) Evidence of capacity to serve individuals with medical and psychiatric comorbidities;

(d) A commitment to maintain the beds or facility for at least a ten year period;

(e) The date upon which structural modifications or construction would begin and the anticipated date of completion of the project;

(f) A detailed estimate of the costs associated with opening the beds; and

(g) The applicant's commitment to work with local courts and prosecutors to ensure that prosecutors and courts in the area served by the hospital or facility will be available to conduct involuntary commitment hearings and proceedings under chapter 71.05 RCW.

(4) To accommodate the emergent need for inpatient psychiatric services, the department and the department of health, in collaboration with the department of social and health services, must establish a concurrent and expedited process for the purpose of grant applicants meeting any applicable regulatory requirements necessary to operate the new or increased capacity in these settings.

Appropriation:
State Building Construction Account--State $5,200,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $5,200,000

NEW SECTION. **Sec. 1016.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Facilities and Housing for Individuals with Mental Illness (91000636)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the department, in consultation with the department of social and health services, to issue grants on a statewide competitive basis for facilities and housing that serve individuals with mental illness. Funds may be used for construction and equipment costs associated with establishment of: Community hospital inpatient psychiatric beds; free-standing evaluation and treatment facilities; triage, crisis stabilization, and enhanced services facilities; residential care facilities; and housing for individuals with chronic mental illness. The department and the department of social and health services must establish criteria for the issuance of grants. Funds shall not be used for operating costs associated with these facilities and housing.

Appropriation:
State Building Construction Account--State $6,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $6,000,000

NEW SECTION. **Sec. 1017.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2014 Local and Community Projects (91000593)

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

(1) Except as directed otherwise prior to the effective date of this section, the department shall not expend the appropriations 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.

(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) The appropriation from the state taxable building construction account in this section is provided solely for a historic building rehabilitation demonstration program. The purposes of the program are to: Support the public interest in preserving the state's historical heritage; protect public safety and health in and around historic buildings; and contribute to the economic stability of Washington communities by keeping historic buildings functional and economically viable.

(a) For purposes of this subsection, "historic building" means a building that is at least fifty years old and retains authentic, distinctive physical characteristics from its historic period of construction.

(b) Funds appropriated in this subsection must be used to provide gap financing for historic building rehabilitation projects that otherwise could not be completed due to the financial circumstances of their owners.

(i) Funds may be used for rehabilitation work that makes a building safe and secure, such as fire sprinkler systems and reinforcing walls. Funds may also be used for rehabilitation work that is required to make space habitable and in compliance with code requirements.

(ii) Financing shall be in the form of low-interest rate loans. Forgivable interest loans or grants may be allowed under certain circumstances, as determined by the department. Loan repayments must be deposited into the historic building rehabilitation revolving loan fund established in section 6010 of this act, to be lent to future projects.

(c) The department must issue a competitive request for qualifications and quotations and select a certified nonprofit community development financial institution to implement the demonstration program. The department and selected organization must enter into a contract and jointly develop a project solicitation, evaluation and selection process.

(d) The expectation is that at least five percent of the project cost will be contributed by the building owner in cash. The contractor must work with other public and private lenders to underwrite financing packages that leverage additional funding resources and applicable tax credits.

(e) Projects will be evaluated on criteria including but not limited to the following:

(i) Whether the project meets at least one of the public purposes stated in this subsection;

(ii) The extent to which the project has leveraged funding from public and private lenders and applicable tax credits; and

(iii) The extent to which the building owner has committed cash and in-kind resources to the project.

(f) The department must conduct due diligence activities associated with the use of public funds, including oversight of the project selection process and project monitoring.

(g) By October 1, 2015, the department must provide a report to the governor and appropriate legislative committees on the results of the demonstration program and a recommendation as to whether it should continue as a statutorily authorized program.

(8) The appropriations in this section are provided solely for the following list of projects:

Project	**Authorized Amount**
Bellevue Downtown Park Inspiration Playground and Sensory Garden	$750,000
Blackhills Community Soccer Complex	$500,000
Bonlow Drive Extension	$428,000
Broadway Low Income Senior Housing	$500,000
Brookville Gardens Community Park	$1,000,000
Caribou Trail Apartments	$100,000
Casa Latina Worker Center Phase 3	$230,000
CDM Services: Clark County Aging Care Resource Center	$1,000,000
Clallam County Respite Center and Healthcare	$500,000

Coastal Harvest Ice Machine	$75,000
Cross Park, Pierce County	$450,000
Dawson Place Child Advocacy Center Phase 2	$176,000
Discover Children's Museum	$250,000
Edmonds Center for the Arts	$200,000
Floyd Norgaard Cultural Center	$40,000
Frances Anderson Cultural Center Roofing Project	$200,000
Gordon Family YMCA	$1,000,000
Gratzer Park Ball Fields	$200,000
Historic Building Rehabilitation Demonstration Program	$750,000
Lakewood Towne Green	$250,000
Lewis County Event Center and Sports Complex Phase 2 Construction	$400,000
Life Support	$500,000
Mason County Sheriff Evidence Storage Facility	$500,000
Meadowlark Development	$500,000
Milton City Facilities Upgrades	$359,000
North Kitsap Fishline Food Bank	$500,000
Port of Centralia - Centralia Station Phase 2	$500,000
Prairie Line Children's Art Park	$302,000
Renovate Mason County Senior Center	$230,000
Rockford Wastewater Treatment Facility Improvements	$1,094,000
SE 240th St Watermain System Improvements	$500,000
Sentinel Boulevard Restoration	$230,000
St Vincent Food Bank & Community Services Construction Project	$500,000
Twisp Town Hall	$222,000
Vancouver Sea Mar Community Health Center	$1,250,000
Vantage Point Apartments	$500,000
Washington Green Schools	$50,000
Washougal Senior/Community Center	$212,000
Western Washington Live Grain Handling and Storage Facility	$450,000
Yakima Warriors Association Community Complex	$1,000,000
TOTAL	**$18,398,000**

Appropriation:

State Building Construction Account--State $17,648,000
State Taxable Building Construction Account--State $750,000
Subtotal Appropriation $18,398,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $18,398,000

Sec. 1018. 2013 2nd sp.s. c 19 s 1084 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Catastrophic Flood Relief (20084850)

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

(1) Up to $9,200,000 of the appropriation is for design alternatives for large capital flood damage reduction projects, including basin-level water retention and Interstate 5 protection projects.

(2) Up to $15,092,000 of the appropriation is for construction of priority local flood protection projects, including multipurpose projects that reduce flood damage and benefit fish habitat.

(3) Up to $1,750,000 of the appropriation is for projects to reduce damage to residential and other structures in the floodplain, through flood proofing and buyouts.

(4) Up to $2,160,000 of the appropriation is for state agency technical assistance, stakeholder project management, project support, and coordination.

Reappropriation:
State Building Construction Account--State $752,000
Appropriation:
State Building Construction Account--State ..... ((~~$28,202,000~~))
$33,202,000

Prior Biennia (Expenditures) $8,733,000
Future Biennia (Projected Costs) $0
TOTAL ((~~$37,687,000~~))
$42,687,000

NEW SECTION. **Sec. 1019.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

K-12 Skill Center Scoring Process (91000429)

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

(1) By November 1st of each even-numbered year, the office of financial management shall complete an objective analysis and scoring of all major capital projects proposed by skill centers and submit the results of the scoring process to the legislative fiscal committees and the superintendent of public instruction.

(2) The office of financial management, in consultation with the legislative fiscal committees and the superintendent of public instruction, shall establish a skill center scoring system and process that is based on the framework used in the community and technical college system of prioritization. Staff from the state board for community and technical colleges shall provide technical assistance on the development of a scoring system and process.

(3) The office of financial management shall consult with the legislative fiscal committees in the scoring of skill center project proposals, and may also solicit participation by independent experts.

(a) For each skill center project, the scoring system must, at a minimum, include:

(i) An evaluation of enrollment trends;

(ii) Programs needed to prepare students for employment, postsecondary education, long-term occupational skills training, and apprenticeship;

(iii) Reasonableness of cost, including building and system life cycle cost analysis and building performance goals;

(iv) Local project contribution;

(v) The ability of the project to enhance specific statewide and regional goals, including employer demand for skilled workers;

(vi) Age and condition of the facility if applicable;

(vii) Space utilization; and

(viii) Consideration of a skill center program participant's ongoing connection to and integration with their resident high school and its student population.

(b) The office of financial management must assign high priority to the reasonableness of cost and local project contribution criteria in the scoring process.

(c) Major projects scored may include projects at the predesign, design, or construction funding phase. Predesigns shall be on a separate prioritized list.

(4) In evaluating and scoring skill center projects, the office of financial management shall take into consideration project schedules that result in realistic, balanced, and predictable expenditure patterns over the ensuing three biennia.

(5) The office of financial management shall distribute common definitions, the scoring system, and other information required for the project proposal and scoring process as part of its biennial budget instructions. The office of financial management, in consultation with the legislative fiscal committees, shall develop common definitions that skill centers must use in developing their project proposals and lists under this section.

(6) In developing any scoring system for major capital projects proposed by skill centers, the office of financial management:

(a) Shall be provided with all required information by the superintendent of public instruction, skill centers, and the state board for community and technical colleges as deemed necessary by the office of financial management;

(b) May utilize independent services to verify, sample, or evaluate information provided to the office of financial management by the superintendent of public instruction, the skill centers, and the state board for community and technical colleges; and

(c) Shall have full access to all data maintained by the superintendent of public instruction and skill centers concerning the inventory and condition of public school facilities.

(7) By December 1, 2014, the office of financial management, in consultation with the superintendent of public instruction, must develop options for integrating skill centers into the school construction assistance program, including options for multidistrict school financing to meet local match requirement beyond the ten percent minimum threshold provided in RCW 28A.245.030.

Appropriation:
Common School Construction Account--State $250,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $250,000

Sec. 1020. 2013 2nd sp.s. c 19 s 1109 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

1063 Block Replacement (91000016)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for predesign and bridging documents, design, competition honoraria, project management, demolition, and other planning activities including permits. The predesign must specify the tenants of the building as directed by the office of financial management. The predesign must indicate the estimated annual cost increase for state agency tenants compared to the cost of their existing leases. The estimated cost increase may take into account estimated cost savings in staff costs and other costs that may result in more efficient building design and layout of office space. The director of the office of financial management must review these cost estimates and submit a report to the appropriate committees of the legislature indicating the budget increase that would be required sixty days prior to executing any construction contracts for the building. The lease for any prospective tenant may not be extended beyond the anticipated occupancy date of the building. The building will be alternatively financed as authorized in section 7014 of this act. The building will be delivered using design build, as defined by chapter 39.10 RCW, with a guarantee for energy, operations, and maintenance performance. The term for performance validation must not be less than five years. The state may use state employees for services not related to building performance. Criteria for selecting a contractor must include life cycle costs, energy costs, or energy use index. The scope of the building shall be between two hundred thousand and two hundred twenty-five thousand square feet of office space based on the office of financial management's direction for square feet and tenants identified in the programming phase including the Washington state patrol. Initial tenant lease costs for the building may not exceed six dollars per gross square foot not including debt services. This is phase one of a two-phase process that includes future demolition of the current general administration building and construction of a similar facility which may include the state library as a tenant.

Appropriation:
State Building Construction Account--State $13,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $13,000,000

NEW SECTION. **Sec. 1021.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Capitol Campus Master Plan (91000017)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for updating the master plan for the capitol campus. The master plan will include existing sites that are available for development to consolidate or relocate state agencies. Each opportunity site shall include an estimate of building size the site can hold and a project estimate for the building. The master plan shall include a schedule for the site development. The office of financial management shall provide the agencies to be consolidated or relocated within the 2015-2021 six-year facilities plan.

Appropriation:
State Building Construction Account--State $200,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $200,000

NEW SECTION. **Sec. 1022.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Capitol Campus Dashboards (91000018)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for installing energy dashboards in the John L. O'Brien building, the John A. Cherberg building, and the legislative building. The dashboards will also be made available on a department web site.

Appropriation:
State Building Construction Account--State $150,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $150,000

NEW SECTION. **Sec. 1023.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE MILITARY DEPARTMENT

Generator Fuel Tank - Emergency Management Division (30000701)

Appropriation:
Pollution Liability Insurance Program Trust
Account--State $300,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $300,000

Sec. 1024. 2013 2nd sp.s c 19 s 1115 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

Thurston County Readiness Center (30000594)

Appropriation:
General Fund--Federal $3,979,000
State Building Construction Account--State ..... ((~~$2,800,000~~)) $3,673,000
Subtotal Appropriation $7,652,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $44,249,000
TOTAL ((~~$47,049,000~~)) $51,901,000

NEW SECTION. **Sec. 1025.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Historic Block Public Safety/Code Compliance Feasibility Study (91000004)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for conducting a feasibility study for making state grants or loans for the purposes of: Seismic upgrades; fire suppression; public safety; and other building code compliance needs in historic buildings, blocks, and districts throughout the state. The study shall include an examination of: The statewide need for the funding; eligible property types; engineering solutions and cost ranges; potential funding sources and mechanisms; and, the feasibility of dispersing state funds to multiple property owners in order to reduce engineering costs. The department must submit the feasibility study to legislative fiscal committees by November 1, 2014.

Appropriation:
State Building Construction Account--State $110,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $110,000

(End of part)

PART 2

HUMAN SERVICES

NEW SECTION. **Sec. 2001.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

Relocation of Industrial Hygiene Lab and Safety Training (30000015)

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

(1) The appropriations in this section are provided solely for a predesign to determine: (a) Necessary program space for the industrial hygiene lab and safety training space; and (b) capital budget requirements including the use of fees collected by the department that will support a certificate of participation for the financing of the construction of the facility and future operating costs.

(2) The study will consider the use of 1500 Jefferson Street data center as a possible location. Any benefits or consequences may be identified at this site or other sites considered.

(3) The building shall be a high performance building and the construction shall be procured using a performance based method including design-build or design-build-operate-maintain.

Appropriation:
Medical Aid Account--State $75,000
Accident Account--State $75,000
Subtotal Appropriation $150,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $150,000

NEW SECTION. **Sec. 2002.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital New Kitchen and Commissary Building (20081319)

Appropriation:
State Building Construction Account--State $1,100,000

Prior Biennia (Expenditures) $828,000
Future Biennia (Projected Costs) $0
TOTAL $1,928,000

NEW SECTION. **Sec. 2003.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest Campus Electrical Infrastructure (91000023)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for design and engineering of electrical infrastructure upgrades including electrical infrastructure feeding the department of health lab.

Appropriation:
State Building Construction Account--State $470,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $2,500,000
TOTAL $2,970,000

NEW SECTION. **Sec. 2004.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

McNeil Island Still Harbor Dock Repairs (30002573)

Appropriation:
State Building Construction Account--State $500,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $500,000

NEW SECTION. **Sec. 2005.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

State Mental Health Facility Improvements (91000025)

Appropriation:
State Building Construction Account--State $4,259,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $4,259,000

NEW SECTION. **Sec. 2006.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

Veterans Cemetery Expansion (30000145)

Appropriation:
Charitable, Educational, Penal and Reformatory
Institutions Account--State $268,000

General Fund--Federal $2,680,000
Subtotal Appropriation $2,948,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL $2,948,000

Sec. 2007. 2013 2nd sp.s. c 19 s 2037 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Department of Corrections Centralized Pharmacy Westside (92000034)

Appropriation:
State Building Construction Account--State ..... ((~~$700,000~~))
$862,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL ((~~$700,000~~))
$862,000

NEW SECTION. **Sec. 2008.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Monroe Corrections Complex Contaminated Soil Remediation (30000994)

Appropriation:
State Toxics Control Account--State..... $700,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL $700,000

NEW SECTION. **Sec. 2009.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Female Capacity (91000014)

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

(1) The appropriation in this section is provided solely for developing a predesign and other planning needs to provide capacity for female offenders. The predesign shall assess the use of the Washington state corrections center for women including any necessary infrastructure.

(2) The predesign shall also assess the use of mental health beds to add capacity. Facilities including Western State Hospital, the Yakima jail, and Pine Lodge, shall be considered to provide mental health services to female offenders. Different levels of treatment shall be analyzed with a cost benefit for each level.

(3) The department may contract with the Washington state institute for public policy or other entities. The department of social and health services shall provide information as needed.

(4) The department shall coordinate any efficiencies with section 2010 of this act.

Appropriation:
State Building Construction Account--State $300,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL $300,000

NEW SECTION. **Sec. 2010.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Male Capacity (91000015)

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

(1) The appropriation in this section is provided solely for developing a predesign and other planning needs to provide capacity for male offenders. The predesign shall assess the use of the Maple Lane facility including any necessary infrastructure.

(2) The predesign shall also assess the use of mental health beds to add capacity. Facilities including Western State Hospital, the Yakima jail, Pine Lodge, and the use of the Maple Lane facility shall be considered to provide mental health services to male offenders. Different levels of treatment shall be analyzed with a cost benefit for each level.

(3) The department may contract with the Washington state institute for public policy or other entities. The department of social and health services shall provide information as needed.

(4) The department shall coordinate any efficiencies with section 2009 of this act.

Appropriation:
State Building Construction Account--State $1,500,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL $1,500,000

NEW SECTION. **Sec. 2011.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Washington Corrections Center for Women Diesel Tank Removal (91000016)

Appropriation:
Pollution Liability Insurance Program Trust
Account--State..... $75,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL $75,000

NEW SECTION. **Sec. 2012.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE EMPLOYMENT SECURITY DEPARTMENT

Elevator Repairs (30000003)

Appropriation:
Administrative Contingency Account--State $469,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL $469,000

(End of part)

PART 3

NATURAL RESOURCES

Sec. 3001. 2013 2nd sp.s. c 19 s 3002 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Low-Level Nuclear Waste Disposal Trench Closure (19972012)

Reappropriation:
Site Closure Account--State..... $11,885,000
Appropriation:
Site Closure Account--State..... $3,354,000

Prior Biennia (Expenditures)..... $3,548,000
Future Biennia (Projected Costs) $0
TOTAL ((~~$15,433,000~~))
$18,787,000

Sec. 3002. 2013 2nd sp.s. c 19 s 3067 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Revolving Program (30000327)

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

(((~~(1) $7,750,000 for fiscal year 2014 and $7,750,000 for fiscal year 2015 of the state building construction account--state is provided solely as state match for federal clean water funds. (2)~~))) 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 obtainable, the department of ecology 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 water pollution control program loan.

Appropriation:
((~~State Building Construction Account--State~~ .....~~$15,500,000~~))
Water Pollution Control Revolving
Account--State..... ((~~$184,500,000~~))
$270,500,000
Water Pollution Control Revolving
Account--Federal..... $50,000,000
Subtotal Appropriation ..... ((~~$250,000,000~~))
$320,500,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $510,000,000
TOTAL ((~~$760,000,000~~))
$830,500,000

Sec. 3003. 2013 2nd sp.s. c 19 s 3075 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Cleanup Toxics Sites - Puget Sound (30000337)

Appropriation:
Environmental Legacy Stewardship
Account--State..... ((~~$31,500,000~~))
$46,881,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) ..... ((~~$35,517,000~~))
$20,136,000
TOTAL $67,017,000

Sec. 3004. 2013 2nd sp.s. c 19 s 3076 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Eastern Washington Clean Sites Initiative (30000351)

Appropriation:
Environmental Legacy Stewardship Account--State $10,300,000
State Toxics Control Account--State $3,000,000
Subtotal Appropriation
$13,300,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) ..... ((~~$9,047,000~~))
$6,047,000
TOTAL $19,347,000

Sec. 3005. 2013 2nd sp.s. c 19 s 3079 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grants (30000374)

Appropriation:
Local Toxics Control Account--State $62,537,000
Environmental Legacy Stewardship Account--State $21,296,000
Subtotal Appropriation $83,833,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) ..... ((~~$260,000,000~~))
$251,063,000
TOTAL ((~~$322,537,000~~))
$334,896,000

NEW SECTION. **Sec. 3006.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Flood Hazard Reduction Grants (91000239)

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

(1) $22,915,000 of the appropriation in this section is provided solely for a statewide competitive grant program for flood hazard reduction projects that also protect or restore floodplain ecosystem functions.

(a) Grants may be distributed on a competitive basis to the following eligible entities: Counties, cities, federally recognized Indian tribes; port districts; flood control districts; conservation districts; and diking and drainage districts.

(b) Applicants must provide a twenty percent match from nonstate sources. The nonstate match may include cash on hand, the value of real property when acquired solely for the purpose of the project, the proceeds of a letter of credit or other binding loan commitment, a pledge commitment, and in-kind contributions. Applicants may receive credit for properly documented nonstate matching funds that were contributed no earlier than ten years prior to the grant solicitation round and that are related to the needs identified in the project application. The department may develop additional requirements related to documenting the value of the nonstate match.

(c) Priority must first be given to projects that:

(i) Are located in a county or counties covered by ten or more state emergency flood proclamations from 1996 to 2012; and

(ii) Are part of a basin-wide strategy created by a governor's work group in close collaboration with an Indian tribe and a multicounty flood authority.

(d) Priority must next be given to projects in counties that have historically been and are projected to continue to be at greatest risk and most vulnerable to flooding.

(e) The department, in consultation with the office of financial management, must evaluate, score, and rank applications based on the following criteria:

(i) Projects that achieve multiple benefits including, but not limited to, cost-effective flood hazard reduction to people, property, critical facilities, and transportation corridors, flood risk reduction, salmon recovery, water quality improvements, habitat restoration, agricultural viability, public access, and channel migration zone protection. Projects must address both reduction and prevention of flood risks, and protection or restoration of floodplain ecosystem functions. For the Chehalis river basin, projects may also include, but not be limited to, an upstream water retention facility;

(ii) Projects that are consistent with and recommended by a collaborative planning and approval process that includes public comment, such as a comprehensive flood hazard management plan, a hazard mitigation plan, a comprehensive plan, a watershed plan, or other applicable plans;

(iii) Projects that minimize or eliminate future costs for maintenance, operation, or emergency response; and

(iv) Projects that are ready to proceed with the scope of work, and whose sponsors have the capacity to complete the project successfully.

(2) $2,000,000 of the appropriation in this section is provided solely for a grant to the Moses Lake irrigation and rehabilitation district for phase 1 of the Moses Lake north dam replacement project and associated design, permitting and management costs.

(3) $85,000 of the appropriation in this section is provided solely for a grant to the city of Stanwood for the state route number 532 flood protection berm and shared use path project.

Appropriation:
State Building Construction Account--State $25,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $25,000,000

NEW SECTION. **Sec. 3007.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Headquarters Energy Conservation and HVAC Replacement (30000396)

Appropriation:
State Building Construction Account--State $250,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $11,773,000
TOTAL $12,023,000

NEW SECTION. **Sec. 3008.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Clean Water Act Mitigation (91000242)

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

(1) $24,600,000 of the appropriation in this section is provided solely for a statewide competitive grant program for local governments for storm water projects that provide a water quality or ecological benefit, address pollution from existing development, and support partnerships to reduce toxic water pollution. Prior to awarding a grant in a water body that is in Indian tribe reservation lands or in a usual and accustomed fishing area, the department must seek comment and agreement from the tribe.

(2) $400,000 of the appropriation in this section is provided solely for the Meeker Creek stream and riparian restoration project.

Appropriation:
State Building Construction Account--State $25,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $25,000,000

Sec. 3009. 2013 2nd sp.s. c 19 s 3104 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

Lake Sammamish State Park: Sunset Beach Bathhouse Replacement (30000653)

The appropriation in this section is subject to the following conditions and limitations: The state parks and recreation commission shall enter into an interagency agreement with the office of financial management to provide funding for a budget evaluation study. The office of financial management shall use a budget evaluation study team approach using value engineering techniques and life cycle cost analysis in conducting the study. The office of financial management shall select the budget evaluation team members, contract for the study, and report the results to the legislature and agencies in a timely manner following the study. Funds must not be allotted until the scope of work is approved by the office of financial management as recommended by the study.

Appropriation:
State Building Construction Account--State ..... ((~~$2,984,000~~))
$2,300,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0

TOTAL ((~~$2,984,000~~))
$2,300,000

NEW SECTION. **Sec. 3010.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Boating Facilities Program (30000219)

Appropriation:
State Building Construction Account--State $3,300,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $3,300,000

NEW SECTION. **Sec. 3011.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING BOARD

Coastal Restoration Grants (90000243)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for grants to projects that restore forests, water quality, fish and wildlife habitat on the Washington Pacific Coast and are on the list of projects in LEAP capital document No. 2014-1A developed February 21, 2014.

Appropriation:
State Building Construction Account--State $9,050,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $9,050,000

NEW SECTION. **Sec. 3012.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Marblemount Hatchery Replace Barrier Culverts (30000657)

Appropriation:
State Building Construction Account--State $1,098,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $1,098,000

NEW SECTION. **Sec. 3013.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Lake Rufus Woods Agreement Fishing Area Facilities (91000149)

Appropriation:
State Building Construction Account--State $1,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $1,000,000

NEW SECTION. **Sec. 3014.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Replace Barrier Culverts on Department of Natural Resources Land (30000232)

Appropriation:
State Building Construction Account--State $3,350,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $3,350,000

NEW SECTION. **Sec. 3015.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Olympic Region Shop Fire Recovery (30000226)

Appropriation:
State Building Construction Account--State $1,471,000
Park Land Trust Revolving Account--State $639,000
Subtotal Appropriation $2,110,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) $0
TOTAL $2,110,000

NEW SECTION. **Sec. 3016.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Marine Station (30000229)

Appropriation:
Aquatic Lands Enhancement Account--State $535,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $8,000,000
TOTAL $8,535,000

Sec. 3017. 2013 2nd sp.s. c 19 s 3220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Derelict Vessel Removal and Disposal (91000049)

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for the expedited removal and disposal of derelict vessels under RCW 79.100.100 and for vessels eligible for the voluntary vessel turn-in program established in chapter 291, Laws of 2013 (Engrossed Substitute House Bill No. 1245).

(1) The department must streamline the process for removing and disposing of derelict vessels in order to expedite the elimination of the backlog of identified derelict vessels. Department staff resources must prioritize their time on the legal process of identifying legal ownership and responsibility and contracting for the removal and disposal of identified derelict vessels. The department must develop and execute contracts for removal and disposal of derelict vessels that:

(a) Ensure proper management of any hazardous wastes;

(b) Expedite the removal of identified derelict vessels; and

(c) Balance costs of removal and disposal after accounting for salvage value with the need to develop contractor capacity to achieve the expedited elimination of the backlog of identified derelict vessels.

(2) The department may expend up to three percent of the appropriations for administration of the project.

(3) The department must submit a progress report each December 1st and May 1st of each year of the biennium. The report must include a list of the vessels removed and disposed of, the costs incurred for administration, removal, and disposal, and the number of vessels remaining to be removed and disposed of at the end of the reporting period.

(4) Up to $350,000 of the appropriation in this section is for predesign of a publicly owned derelict vessel deconstruction facility. The department may consult with the office of financial management and the department of enterprise services for development of a request for proposal for the predesign analysis.

(a) The predesign analysis must include, but is not limited to, project scope, proposed alternatives, siting considerations including upland storage, cost estimates, and the potential for public and private partnerships.

(b) The department must provide a report on proposed recommendations to the legislature by January 1, 2015.

Reappropriation:
State Building Construction Account--State $589,000

Appropriation:
Environmental Legacy Stewardship Account--State ..... ((~~$4,500,000~~)) $4,850,000

Prior Biennia (Expenditures) $2,411,000
Future Biennia (Projected Costs) $0
TOTAL ((~~$7,500,000~~)) $7,850,000

(End of part)

PART 4

TRANSPORTATION

NEW SECTION. **Sec. 4001.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE WASHINGTON STATE PATROL

Fire Training Academy Facility Improvements (91000006)

Appropriation:
State Building Construction Account--State $400,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0

TOTAL $400,000

PART 5

EDUCATION

Sec. 5001. 2013 2nd sp.s. c 19 s 5020 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2013-2015 School Construction Assistance Program - Maintenance (30000145)

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

(1) $1,340,000 of the common school construction account--state appropriation is provided solely for study and survey grants and for completing inventory and building condition assessments for all public school districts once every six years.

(2) $933,000 of the common school construction account--state appropriation is provided solely for mapping the design of new facilities and remapping the design of facilities to be remodeled, for school construction projects funded through the school construction assistance program.

(3) The office of the superintendent of public instruction must improve web-based access by taxpayers to school capacity and actual enrollment in order to understand possible opportunities to increase efficiency through consolidation. The office of the superintendent of public instruction must post this capacity and enrollment information on its web site.

(4) Funds from this appropriation may be used to match federal dollars provided by the office of economic adjustment for school replacement facilities located on military bases.

(5) The office of the superintendent of public instruction must expedite allocation and distribution of any eligible funds under the school construction assistance grant program to the Evergreen (Clark County) School District to address the school construction emergency resulting from the fire that destroyed the Crestline School.

(6) The space allocations for state funding assistance purposes for districts with senior or four-year high schools with fewer than four hundred students, as outlined in WAC 392-343-035, must be computed in accordance with the following formula:

Number of Headcount Student-Grades 9-12	**Maximum Space Allocation Per Facility**
0-200	42,000 square feet
201-300	48,000 square feet
301-or more	52,000 square feet

Appropriation:

State Building Construction Account--State ..... ((~~$285,355,000~~)) $230,681,000

Common School Construction Account--State ..... ((~~$208,232,000~~)) $172,684,000

Common School Construction Account--Federal $1,500,000

Subtotal Appropriation ..... ((~~$495,087,000~~)) $404,865,000

Prior Biennia (Expenditures) $0

Future Biennia (Projected Costs) ..... ((~~$3,099,310,000~~)) $3,099,270,000

TOTAL ((~~$3,594,397,000~~)) $3,504,135,000

Sec. 5002. 2013 2nd sp.s. c 19 s 5019 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Capital Program Administration (30000128)

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

(1) The superintendent of public instruction shall publish to its web site and report to the office of financial management, the appropriate committees of the legislature, and the legislative evaluation and accountability program a list of local school district projects submitted for approval for school construction assistance within seven business days of the school district deadline to submit items for approval. The report must include, but not be limited to:

(a) School district;

(b) Project name;

(c) Estimated square footage by proposed project type;

(d) Estimated total of all project costs and estimated total construction contract cost;

(e) Funding sources and election dates, if applicable; and
(f) Intent to front-fund the project.
(2) The superintendent of public instruction must provide to the legislative evaluation and accountability program committee in electronic database form the following:
(a) Study and survey information beginning with grants awarded July 1, 2014; and
(b) All available inventory and condition of schools data.

Appropriation:
Common School Construction Account--State ..... ((~~$3,854,000~~)) $3,604,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $16,246,000
TOTAL ((~~$20,100,000~~)) $19,850,000

Sec. 5003. 2013 2nd sp.s. c 19 s 5024 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Spokane Valley Tech (91000026)

Appropriation:
State Building Construction Account--State ..... ((~~$1,500,000~~)) $2,500,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL ((~~$1,500,000~~)) $2,500,000

NEW SECTION. **Sec. 5004.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Water Bottle Filling Stations in K-12 Public Schools (91000028)

Appropriation:
State Building Construction Account--State $750,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $750,000

NEW SECTION. **Sec. 5005.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Kiona-Benton City High School Parking Lot (91000029)

Appropriation:
State Building Construction Account--State $125,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $125,000

NEW SECTION. **Sec. 5006.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Nutrition Equipment Assistance Grants (91000030)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for competitive equipment assistance grants consistent with chapter . . ., Laws of 2014 (Substitute House Bill No. 2410).

Appropriation:
State Building Construction Account--State $1,000,000

Prior Biennia (Expenditures) $0
Future Biennia (Projected Costs) $0
TOTAL $1,000,000

NEW SECTION. **Sec. 5007.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

Lloyd Auditorium Emergency Repairs (30000012)

Appropriation:
State Building Construction Account--State $260,000

Prior Biennia (Expenditures)..... $2,350,000
Future Biennia (Projected Costs) $0
TOTAL $2,610,000

NEW SECTION. **Sec. 5008.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

Net Pen Aquaculture Research (91000015)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the University of Washington sea grant program to: Create an index of net pen scientific literature and policy research applicable to Washington state; establish a technical steering group to assess net pen research needs and to estimate costs of implementing net pen research proposals; and, initiate a net pen outreach program to engage relevant stakeholders. The University of Washington sea grant program shall report to the appropriate committees of the legislature by January 20, 2015.

Appropriation:
Aquatic Lands Enhancement Account--State $94,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL $94,000

NEW SECTION. **Sec. 5009.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE CENTRAL WASHINGTON UNIVERSITY

Buried Oil Storage Tank Remediation (30000681)

Appropriation:
Pollution Liability Insurance Program Trust
Account--State..... $2,000,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL $2,000,000

Sec. 5010. 2013 2nd sp.s. c 19 s 5078 (uncodified) is amended to read as follows:

FOR THE WESTERN WASHINGTON UNIVERSITY

Carver Academic Renovation (20081060)

Reappropriation:
State Building Construction Account--State..... $2,000,000
Appropriation:
State Building Construction Account--State..... $5,000,000

Prior Biennia (Expenditures)..... $5,374,000
Future Biennia (Projected Costs) ..... ((~~$73,531,000~~))
$68,531,000
TOTAL $80,905,000

NEW SECTION. **Sec. 5011.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY

History Museum Membrane System Replacement (30000220)

Appropriation:
State Building Construction Account--State..... $1,748,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) $0
TOTAL $1,748,000

Sec. 5012. 2013 2nd sp.s. c 19 s 5117 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Centralia Community College: Student Services (30000123)

Appropriation:
State Building Construction Account--State..... $2,517,000
Community/Technical College Capital Projects Account--State
$3,162,000
Subtotal Appropriation
$5,679,000

Prior Biennia (Expenditures)..... $0
Future Biennia (Projected Costs) ..... ((~~$33,075,000~~)) $31,793,000
TOTAL..... ((~~$35,592,000~~)) $37,472,000

(End of part)

PART 6

MISCELLANEOUS PROVISIONS

Sec. 6001. 2013 2nd sp.s. c 19 s 7043 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS

State Toxic Control Account: For transfer to the Local Toxic Control Account..... $4,000,000

Environmental Legacy Stewardship Account: For transfer to the Local Toxic Control Account..... $12,000,000

Enterprise Services Account: For transfer to the Thurston County Capital Facilities Account $922,900

State Taxable Building Construction Account: For transfer to the drinking water assistance account, $4,400,000 for fiscal year 2015..... $4,400,000

State Taxable Building Construction Account: For transfer to the water pollution control revolving account, $7,750,000 for fiscal year 2014 and $7,750,000 for fiscal year 2015 ..... $15,500,000

Sec. 6002. 2013 2nd sp.s. c 19 s 7014 (uncodified) is amended to read as follows:

ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS. The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract and any certificates of participation therein are intended to be reimbursed from proceeds of the financial contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

State agencies may enter into agreements with the department of enterprise services and the state treasurer's office to develop requests to the legislature for acquisition of properties and facilities through financial contracts. The agreements may include charges for services rendered.

Those noninstructional facilities of higher education institutions authorized in this section to enter into financial contracts are not eligible for state funded maintenance and operations. Instructional space that is available for regularly scheduled classes for academic transfer, basic skills, and workforce training programs may be eligible for state funded maintenance and operations.

(1) Community and technical colleges:

(a) Enter into a financing contract on behalf of Peninsula College for up to $2,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate or replace the Forks satellite building.

(b) Enter into a financing contract on behalf of South Puget Sound Community College for up to $5,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate the downtown Lacey campus.

(c) Enter into a financing contract on behalf of Walla Walla Community College for up to $1,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase up to forty acres of land.

(d) Enter into a financing contract on behalf of Green River Community College for up to $15,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a replacement facility for the student life center.

(e) Enter into a financing contract on behalf of Whatcom Community College for up to $11,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a student recreation center.

(f) Enter into a financing contract on behalf of Spokane Community College for up to $3,100,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an addition to the student services building.

(g) Enter into a long-term lease on behalf of Spokane Community College at Felts Field suitable for the aerospace training center program, subject to the approval of the office of financial management as required by chapter 43.82 RCW.

(h) Enter into a financing contract on behalf of Lower Columbia College for up to $3,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate the main building.

(i) Enter into a financing contract on behalf of Lower Columbia College for up to $3,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase interest in a mixed use building for student housing.

(2) Department of enterprise services:

(a) Enter into a financing contract for up to $1,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for the modifications to the Yakima office building in preparation for the department of social and health services use of the building.

(b) Enter into a financing contract for up to $69,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a new office building at 1063 Capitol Way South, Olympia. ((~~The building will be delivered using design build, as defined by chapter 39.10 RCW, with a guarantee for energy, operations and maintenance performance. The term for performance validation must not be less than five years. The state may use state employees for services not related to building performance. Criteria for selecting a contractor must include life cycle costs, energy costs or energy use index. The scope of the building shall be between two hundred thousand and two hundred twenty-five thousand square feet of office space based on the office of financial management's direction for square feet and tenants identified in the programming phase including the Washington State Patrol. Tenant lease costs for the building may not exceed $26 per gross square foot including debt services and operating expenses. Proposals must be received by January 31, 2014. This is phase one of a two-phase process that includes future demolition of the current general administration building and construction of a similar facility which may include the state library as a tenant.~~))

(3) Eastern Washington University: Enter into a financing contract for up to $19,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to improve and expand recreational and athletic facilities on the Cheney campus.

(4) The Evergreen State College: Enter into a financing contract for up to $12,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase the currently leased facilities for the Tacoma program.

(5) Central Washington University: Enter into a financing contract for up to $8,461,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a welcome center.

Sec. 6003. RCW 43.155.070 and 2013 2nd sp.s. c 19 s 7032 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 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;

(e) 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;

(l) The relative benefit of the project to the community, considering the present level of economic activity in the community and the existing local capacity to increase local economic activity in communities that have low economic growth; and

(m) Other criteria that the board considers advisable.

(5) For the 2013-2015 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 applications for construction loans 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 project:

(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 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;

(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, public transit, and transportation;

(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) Other criteria that the board considers necessary to achieve the purposes of this chapter.

(b) Before November 1, 2014, the board must develop and submit to the 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 maximum amount of funding that the board may recommend 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) 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.

(7) Before November 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 made under RCW 43.155.065, 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.

(8) The board may not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds for a specific list of public works projects. 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) To qualify for loans 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) 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 2013-2015 fiscal biennium, 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 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.

(14)(a) For public works assistance account application rounds conducted during the 2013-2015 fiscal biennium, the board must implement policies and procedures designed to maximize local government use of federally funded drinking water and clean water state revolving funds operated by the state departments of health and ecology. The board, department of ecology, and department of health must jointly develop evaluation criteria and application procedures that will increase access of eligible drinking water and wastewater projects to the public works assistance account for short-term preconstruction financing and to the federally funded state revolving funds for construction financing. The procedures must also strengthen coordinated funding of preconstruction and construction projects.

(b) For all construction loan projects proposed to the legislature for funding during the 2013-2015 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~~)) establish lending policies and procedures that are consistent with managing the public works assistance account for long- term sustainability. When determining loan terms that will be in effect for an application round, the board must take into account applicable market rates, but may, at its discretion, use additional factors to set the final loan terms. The board must also provide reduced interest rates((~~,~~)) or 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.

(c) By December 1, 2013, the board must recommend to the appropriate committees of the legislature statutory language to make permanent these new criteria, procedures, and financing policies.

Sec. 6004. RCW 70.105D.070 and 2013 2nd sp.s. c 19 s 7033 and 2013 2nd sp.s. c 4 s 992 are each reenacted and amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2)(a) Moneys collected under RCW 82.21.030 must be deposited as follows: Fifty-six percent to the state toxics control account under subsection (3) of this section and forty-four percent to the local toxics control account under subsection (4) of this section. When the cumulative amount of deposits made to the state and local toxics control accounts under this section reaches the limit during a fiscal year as established in (b) of this subsection, the remainder of the moneys collected under RCW 82.21.030 during that fiscal year must be deposited into the environmental legacy stewardship account created in RCW 70.105D.170.

(b) The limit on distributions of moneys collected under RCW 82.21.030 to the state and local toxics control accounts for the fiscal year beginning July 1, 2013, is one hundred forty million dollars.

(c) In addition to the funds required under (a) of this subsection, the following moneys must be deposited into the state toxics control account: (i) The costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (ii) penalties collected or recovered under this chapter; and (iii) any other money appropriated or transferred to the account by the legislature.

(3) Moneys in the state toxics control account must be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(a) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(b) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;

(c) The hazardous waste clean-up program required under this chapter;

(d) State matching funds required under federal cleanup law;

(e) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(f) State government programs for the safe reduction, recycling, or disposal of paint and hazardous wastes from households, small businesses, and agriculture;

(g) Oil and hazardous materials spill prevention, preparedness, training, and response activities;

(h) Water and environmental health protection and monitoring programs;

(i) Programs authorized under chapter 70.146 RCW;

(j) A public participation program;

(k) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with clean-up standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both: (i) A substantially more expeditious or enhanced cleanup than would otherwise occur; and (ii) the prevention or mitigation of unfair economic hardship;

(l) Development and demonstration of alternative management technologies designed to carry out the hazardous waste management priorities of RCW 70.105.150;

(m) State agriculture and health programs for the safe use, reduction, recycling, or disposal of pesticides;

(n) Storm water pollution control projects and activities that protect or preserve existing remedial actions or prevent hazardous clean-up sites;

(o) Funding requirements to maintain receipt of federal funds under the federal solid waste disposal act (42 U.S.C. Sec. 6901 et seq.);

(p) Air quality programs and actions for reducing public exposure to toxic air pollution;

(q) Public funding to assist prospective purchasers to pay for the costs of remedial action in compliance with clean-up standards under RCW 70.105D.030(2)(e) if:

(i) The facility is located within a redevelopment opportunity zone designated under RCW 70.105D.150;

(ii) The amount and terms of the funding are established under a settlement agreement under RCW 70.105D.040(5); and

(iii) The director has found the funding meets any additional criteria established in rule by the department, will achieve a substantially more expeditious or enhanced cleanup than would otherwise occur, and will provide a public benefit in addition to cleanup commensurate with the scope of the public funding;

(r) Petroleum-based plastic or expanded polystyrene foam debris cleanup activities in fresh or marine waters;

(s) Appropriations to the local toxics control account or the environmental legacy stewardship account created in RCW 70.105D.170, if the legislature determines that priorities for spending exceed available funds in those accounts;

(t) During the 2013-2015 fiscal biennium, the department of ecology's water quality, shorelands, environmental assessment, administration, and air quality programs;

(u) During the 2013-2015 fiscal biennium, actions at the state conservation commission to improve water quality for shellfish; ((~~and~~))

(v) During the 2013-2015 fiscal biennium, actions at the University of Washington for reducing ocean acidification;

(w) For the 2013-2015 fiscal biennium, moneys in the state toxics control account may be spent on projects in section ((~~3159~~)) 3160, chapter 19, Laws of 2013 2nd sp. sess. and for transfer to the local toxics control account; and

(x) For the 2013-2015 fiscal biennium, moneys in the state toxics control account may be transferred to the radioactive mixed waste account.

(4)(a) The department shall use moneys deposited in the local toxics control account for grants or loans to local governments for the following purposes in descending order of priority:

(i) Extended grant agreements entered into under ((~~(e)[(e)]~~)) (e)(i) of this subsection;

(ii) Remedial actions, including planning for adaptive reuse of properties as provided for under ((~~(e)[(e)]~~)) (e)(iv) of this subsection. The department must prioritize funding of remedial actions at:

(A) Facilities on the department's hazardous sites list with a high hazard ranking for which there is an approved remedial action work plan or an equivalent document under federal cleanup law;

(B) Brownfield properties within a redevelopment opportunity zone if the local government is a prospective purchaser of the property and there is a department-approved remedial action work plan or equivalent document under the federal cleanup law;

(iii) Storm water pollution source projects that: (A) Work in conjunction with a remedial action; (B) protect completed remedial actions against recontamination; or (C) prevent hazardous clean-up sites;

(iv) Hazardous waste plans and programs under chapter 70.105 RCW;

(v) Solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) Petroleum-based plastic or expanded polystyrene foam debris cleanup activities in fresh or marine waters; and

(vii) Appropriations to the state toxics control account or the environmental legacy stewardship account created in RCW 70.105D.170, if the legislature determines that priorities for spending exceed available funds in those accounts.

(b) Funds for plans and programs must be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW.

(c) During the 2013-2015 fiscal biennium, the local toxics control account may also be used for local government storm water planning and implementation activities.

(d) During the 2013-2015 fiscal biennium, the legislature may transfer from the local toxics control account to the state general fund, such amounts as reflect the excess fund balance in the account.

(e) To expedite cleanups throughout the state, the department may use the following strategies when providing grants to local governments under this subsection:

(i) Enter into an extended grant agreement with a local government conducting remedial actions at a facility where those actions extend over multiple biennia and the total eligible cost of those actions exceeds twenty million dollars. The agreement is subject to the following limitations:

(A) The initial duration of such an agreement may not exceed ten years. The department may extend the duration of such an agreement upon finding substantial progress has been made on remedial actions at the facility;

(B) Extended grant agreements may not exceed fifty percent of the total eligible remedial action costs at the facility; and

(C) The department may not allocate future funding to an extended grant agreement unless the local government has demonstrated to the department that funds awarded under the agreement during the previous biennium have been substantially expended or contracts have been entered into to substantially expend the funds;

(ii) Enter into a grant agreement with a local government conducting a remedial action that provides for periodic reimbursement of remedial action costs as they are incurred as established in the agreement;

(iii) Enter into a grant agreement with a local government prior to it acquiring a property or obtaining necessary access to conduct remedial actions, provided the agreement is conditioned upon the local government acquiring the property or obtaining the access in accordance with a schedule specified in the agreement;

(iv) Provide integrated planning grants to local governments to fund studies necessary to facilitate remedial actions at brownfield properties and adaptive reuse of properties following remediation. Eligible activities include, but are not limited to: Environmental site assessments; remedial investigations; health assessments; feasibility studies; site planning; community involvement; land use and regulatory analyses; building and infrastructure assessments; economic and fiscal analyses; and any environmental analyses under chapter 43.21C RCW;

(v) Provide grants to local governments for remedial actions related to areawide groundwater contamination. To receive the funding, the local government does not need to be a potentially liable person or be required to seek reimbursement of grant funds from a potentially liable person;

(vi) The director may alter grant matching requirements to create incentives for local governments to expedite cleanups when one of the following conditions exists:

(A) Funding would prevent or mitigate unfair economic hardship imposed by the clean-up liability;

(B) Funding would create new substantial economic development, public recreational opportunities, or habitat restoration opportunities that would not otherwise occur; or

(C) Funding would create an opportunity for acquisition and redevelopment of brownfield property under RCW 70.105D.040(5) that would not otherwise occur;

(vii) When pending grant applications under ((~~(e)[(e)]~~)) (e)(iv) and (v) of this subsection (4) exceed the amount of funds available, designated redevelopment opportunity zones must receive priority for distribution of available funds.

((~~(d) [(f)]~~)) (f) To expedite multiparty clean-up efforts, the department may purchase remedial action cost-cap insurance. For the 2013-2015 fiscal biennium, moneys in the local toxics control account may be spent on projects in sections 3024, 3035, 3036, and 3059, chapter 19, Laws of 2013 2nd sp. sess.

(5) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(6) No moneys deposited into either the state or local toxics control account may be used for: Natural disasters where there is no hazardous substance contamination; high performance buildings; solid waste incinerator facility feasibility studies, construction, maintenance, or operation; or after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310. However, this subsection does not prevent an appropriation from the state toxics control account to the department of revenue to enforce compliance with the hazardous substance tax imposed in chapter 82.21 RCW.

(7) Except during the 2011-2013 fiscal biennium, one percent of the moneys collected under RCW 82.21.030 shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation that are not expended at the close of any biennium revert to the state toxics control account.

(8) The department shall adopt rules for grant or loan issuance and performance. To accelerate both remedial action and economic recovery, the department may expedite the adoption of rules necessary to implement chapter 1, Laws of 2013 2nd sp. sess. using the expedited procedures in RCW 34.05.353. The department shall initiate the award of financial assistance by August 1, 2013. To ensure the adoption of rules will not delay financial assistance, the department may administer the award of financial assistance through interpretive guidance pending the adoption of rules through July 1, 2014.

(9) Except as provided under subsection (3)(k) and (q) of this section, nothing in chapter 1, Laws of 2013 2nd sp. sess. effects [affects] the ability of a potentially liable person to receive public funding.

(10) During the 2013-2015 fiscal biennium the local toxics control account may also be used for the centennial clean water program and for storm water grants.

Sec. 6005. RCW 43.160.080 and 2010 1st sp.s. c 36 s 6011 are each amended to read as follows:

There shall be a fund in the state treasury known as the public facilities construction loan revolving account, which shall consist of all moneys collected under this chapter and any moneys appropriated to it by law. Disbursements from the revolving account shall be on authorization of the board. In order to maintain an effective expenditure and revenue control, the public facilities construction loan revolving account shall be subject in all respects to chapter 43.88 RCW. During the 2009-2011 biennium, sums in the public facilities construction loan revolving account may be used for community economic revitalization board export assistance grants and loans in section 1018, chapter 36, Laws of 2010 1st sp. sess. and for matching funds for the federal energy regional innovation cluster in section 1017, chapter 36, Laws of 2010 1st sp. sess. During the 2013- 2015 biennium, sums in the public facilities construction loan revolving account may be used for the animal disease traceability project in section 3247, chapter 19, Laws of 2013 2nd sp. sess., administered by the department of agriculture.

Sec. 6006. RCW 70.148.020 and 2013 2nd sp.s. c 4 s 993 are each amended to read as follows:

(1) The pollution liability insurance program trust account is established in the custody of the state treasurer. All funds appropriated for this chapter and all premiums collected for reinsurance shall be deposited in the account. Expenditures from the account shall be used exclusively for the purposes of this chapter including payment of costs of administering the pollution liability insurance and underground storage tank community assistance programs. Expenditures for payment of administrative and operating costs of the agency are subject to the allotment procedures under chapter 43.88 RCW and may be made only after appropriation by statute. No appropriation is required for other expenditures from the account.

(2) Each calendar quarter, the director shall report to the insurance commissioner the loss and surplus reserves required for the calendar quarter. The director shall notify the department of revenue of this amount by the fifteenth day of each calendar quarter.

(3) Each calendar quarter the director shall determine the amount of reserves necessary to fund commitments made to provide financial assistance under RCW 70.148.130 to the extent that the financial assistance reserves do not jeopardize the operations and liabilities of the pollution liability insurance program. The director shall notify the department of revenue of this amount by the fifteenth day of each calendar quarter. The director may immediately establish an initial financial assistance reserve of five million dollars from available revenues. The director may not expend more than fifteen million dollars for the financial assistance program.

(4) During the 2013-2015 fiscal biennium, the legislature may transfer from the pollution liability insurance program trust account to the state general fund such amounts as reflect the excess fund balance of the account.

(5) During the 2013-2015 fiscal biennium, the pollution liability insurance program trust account may be used for other underground storage tank cleanup projects as provided in sections 1023, 2011, and 5009, chapter . . ., Laws of 2014 (this act).

(6) This section expires July 1, 2020.

Sec. 6007. RCW 27.34.330 and 2006 c 371 s 232 are each amended to read as follows:

The Washington state historical society shall establish a competitive process to solicit proposals for and prioritize heritage capital projects for potential funding in the state capital budget. The society shall adopt rules governing project eligibility and evaluation criteria. Application for funding of specific heritage projects may be made to the society by local governments, public development authorities, nonprofit corporations, tribal governments, and other entities, as determined by the society. The society, with the advice of ((~~leaders in the heritage field~~)) an advisory panel, including but not limited to leaders in the fields of heritage, architecture, and finance, representatives from the office of the secretary of state, the department of enterprise services, the eastern Washington state historical society, and the department of archaeology and historic preservation, shall establish and submit a prioritized list of heritage capital projects to the governor and the legislature in the society's biennial capital budget request. The list shall include a description of each project, the amount of recommended state funding, and documentation of nonstate funds to be used for the project. The total amount of recommended state funding for projects on a biennial project list shall not exceed ten million dollars. The prioritized list shall be developed through open and public meetings and the amount of state funding shall not exceed thirty-three and one- third percent of the total cost of the project. The nonstate portion of the total project cost may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions. The department shall not sign contracts or otherwise financially obligate funds under this section until the legislature has approved a specific list of projects. In contracts for grants authorized under this section, the society shall include provisions requiring that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant. Program administration costs retained by the society must be consistent with capital budget guidelines established by the office of financial management.

NEW SECTION. **Sec. 6008.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

To the extent that any appropriation authorizes expenditures of state funds from the state building construction account, or from any other capital project account in the state treasury, for a capital project or program that is specified to be funded with proceeds from the sale of bonds, the legislature declares that any such expenditures for that project or program made prior to the issue date of the applicable bonds are intended to be reimbursed from proceeds of those bonds in a maximum amount equal to the amount of such appropriation.

NEW SECTION. **Sec. 6009.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

The legislative evaluation and accountability program committee shall develop a new K-12 capital budget model in consultation with the superintendent of public instruction, the office of financial management, the caseload forecast council, and legislative fiscal staff for use in forecasting biennial appropriations to support the school construction assistance program. The model must include improved forecasting of the school construction assistance program through analysis of existing data including, but not limited to:

(1) Local school district bond and levy elections and bond sales;

(2) Actual pace of state assistance reimbursement including front- funded projects and other conditions that contribute to variations in reimbursements;

(3) Local school district study and survey results specific to estimated capital costs, cost/benefit analyses on the need to modernize and/or replace existing school facilities, timelines for completing school facilities projects, and ability to provide capital funds by local efforts;

(4) Analysis of actual inventory and condition of schools; and

(5) State population forecasts of school aged children.

NEW SECTION. **Sec. 6010.** A new section is added to chapter 43.330 RCW to read as follows:

The historic building rehabilitation revolving loan fund is created in the state treasury. All receipts from the repayment of historic building rehabilitation loans must be deposited into the fund. Moneys in the fund may be spent only after appropriation. Expenditures from the fund may be used only for loans to historic building rehabilitation projects as provided for in section 1017 of this act.

NEW SECTION. **Sec. 6011.** A new section is added to 2013 2nd sp.s. c 19 (uncodified) to read as follows:

The department of enterprise services shall develop a city/state impact summary in partnership with the city of Olympia. The analysis must describe physical spaces and related operations that jointly impact state facilities and the host capital city. At a minimum, the transition of Sylvester park in downtown Olympia from a state facility to a local facility must be considered in the analysis. The analysis must also include a menu of city-wide revenue sources to be considered by the 2015 legislature that will increase city revenues and ultimately city expenditures by the host capital city to mitigate impacts that the city has on state government facilities and the operations of those facilities. A final report is due to the office of financial management, the house capital budget committee, and the senate ways and means committee by December 1, 2014.

NEW SECTION. **Sec. 6012.** The following acts or parts of acts are each repealed:

(1) 2013 2nd sp.s. c 19 s 7004 (uncodified); and

(2) 2013 2nd sp.s. c 19 s 7013 (uncodified).

NEW SECTION. **Sec. 6013.** 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.

(End of bill)"

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Correct the title.

Representative Dunshee moved the adoption of amendment (870).

On page 36, after line 6 of the amendment, insert the following:

"The appropriation in this section is subject to the following conditions and limitations: The departments of ecology and health shall work with the Yakama nation to engage a third party to evaluate the specific technical concerns the tribe has identified with respect to the timing of the phase 1 cover. The consultant will evaluate if the cover would impede additional model toxics control act work and compare the US Ecology closure standards to the adjacent Hanford site. The consultant will work with existing information and shall not have any present or past financial affiliation with any of the parties to the current litigation between Heart of America Northwest, the Yakama nation, and the state of Washington. A report on the above referenced work shall be delivered to the appropriate committees of the legislature by December 1, 2014."

Representatives Dunshee and DeBolt spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (870) was adopted.

Amendment (816) was adopted as amended.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Stanford, MacEwen, Stonier, DeBolt and Riccelli spoke in favor of the passage of the bill.

MOTIONS

On motion of Representative Riccelli, Representative S. Hunt was excused. On motion of Representative Harris, Representative Zeiger was excused.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 6020, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6020, as amended by the House, and the bill passed the House by the following vote: Yeas, 92; Nays, 4; Absent, 0; Excused, 2.

Voting yea: Representatives Appleton, Bergquist, Blake, Buys, Carlyle, Christian, Clibborn, Cody, Condotta, Dahlquist, DeBolt, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, G. Hunt, Goodman, Green, Gregerson, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hope, Hudgins, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Lytton, MacEwen, Magendanz, Manweller, Moeller, Morrell, Morris, Moscoso, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Parker, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Roberts, Robinson, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Seaquist, Sells, Senn, Shea, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Tharinger, Van De Wege, Vick, Walkinshaw, Walsh, Warnick, Wilcox, Wylie, Young and Mr. Speaker.

Voting nay: Representatives Chandler, Overstreet, Scott and Taylor.

Excused: Representatives S. Hunt and Zeiger.

ENGROSSED SUBSTITUTE SENATE BILL NO. 6020, as amended by the House, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2797, by Representatives Dunshee, MacEwen, Stanford, Kochmar, Stonier, Young, Riccelli, Zeiger, Haigh, Magendanz, Fitzgibbon, Dahlquist, Morrell, Smith, Lytton, DeBolt, Seaquist, Wilcox, Freeman, Walkinshaw, Ryu, Tarleton, Hargrove, Jinkins, Appleton, Kagi, Tharinger, Sells, Goodman, Fey, Sullivan, Bergquist, Pollet, Senn, Moscoso, Springer, Habib, Blake, Ormsby, Reykdal, Van De Wege, Roberts, S. Hunt, Carlyle, Farrell, Green and Hudgins

Funding all-day kindergarten and early elementary class size reduction facility needs with lottery revenues.

The bill was read the second time.

With the consent of the house, amendment (815) was withdrawn.

Representative Dunshee moved the adoption of amendment (861).

Strike everything after the enacting clause and insert the following:

"**PART I**

INTENT

NEW SECTION. **Sec. 101.** The legislature finds that school districts are strapped for the physical space to meet education funding reforms as provided in chapter 548, Laws of 2009 (Engrossed Substitute House Bill No. 2261) and chapter 236, Laws of 2010 (Substitute House Bill No. 2776), as interpreted in *McCleary v. State*, related to all-day kindergarten and K-3 class size reduction. The legislature further finds that a program of near-term state grants without a local match requirement will assist school districts to provide these new programs by the scheduled full implementation date of the 2017-18 school year. The legislature further finds that school districts will need flexibility in determining the most appropriate construction method to accommodate the additional classroom space, including permanent construction, modular construction, or portables. The legislature further finds that the use of lottery revenues for common schools is consistent with the construction objectives of chapter 3, Laws of 2001 (Initiative Measure No. 728). Therefore, it is the intent of the legislature to authorize seven hundred million dollars in lottery revenue bonds for grants to school districts to support the physical capacity required for statewide implementation of all-day kindergarten and K-3 class size reduction beginning with the 2015-2017 fiscal biennium.

PART II

BOND AUTHORIZATION

NEW SECTION. **Sec. 201.** LOTTERY REVENUE BONDS AUTHORIZED. (1) For the purpose of providing needed

construction assistance to support all-day kindergarten and K-3 class size reduction, the state finance committee is authorized to issue a total of seven hundred seven million dollars of lottery revenue bonds, or as much thereof as may be required, payable from the Washington opportunity pathways account revenues under RCW 28B.76.526, which consist of net lottery revenues deposited in the lottery account created in RCW 67.70.230, and net shared game lottery revenues deposited in the shared game lottery account in RCW 67.70.044, as such revenues are defined in section 202 of this act, to finance these projects and all costs incidental thereto.

(2) Bonds authorized in this section may be sold at such price as the state finance committee shall determine. No bonds authorized in this section may be offered for sale without prior legislative appropriation of the net proceeds of the sale of the bonds.

(3) The state finance committee may determine and include in any resolution authorizing the issuance of any bonds authorized by this section and sections 202 through 207 of this act such terms, provisions, covenants, and conditions as it may deem appropriate in order to assist with the marketing and sale of the bonds, confer rights upon the owners of bonds, and safeguard rights of the owners of bonds, including, among other things:

(a) Provisions that the bonds shall be payable solely from and secured solely by the Washington opportunity pathways account revenues under RCW 28B.76.526, as such revenues are defined in section 202 of this act;

(b) The conditions that must be satisfied prior to the issuance of any additional bonds that are to be payable from and secured by the Washington opportunity pathways account revenues, as such revenues are defined in section 202 of this act, on equal basis with previously issued and outstanding bonds payable from the net lottery revenues and net shared game lottery revenues;

(c) Provisions regarding debt service reserves and credit enhancement; and

(d) Whether bonds may be issued as tax-exempt bonds or must be issued as taxable bonds under the applicable provisions of the federal internal revenue code.

NEW SECTION. **Sec. 202.** WASHINGTON OPPORTUNITY PATHWAYS ACCOUNT/LOTTERY REVENUES PLEDGED TO BONDS. (1) Each bond issued under the authority of this section and sections 201 and 203 through 207 of this act shall distinctly state that payment or redemption of the bond and payment of the interest and any premium thereon is payable solely from and secured solely by a pledge of the Washington opportunity pathways account revenues under RCW 28B.76.526, which consist of net lottery revenues received in the lottery account established in RCW 67.70.230 and net shared game lottery revenues received in the shared game lottery account in RCW 67.70.044 and is not a general obligation of the state to which the full faith and credit of the state is pledged. The legislature covenants to appropriate the Washington opportunity pathways account revenues pledged to the payment of the bonds issued under this section and sections 201 and 203 through 207 of this act. The legislature further agrees for the benefit of the owners of outstanding bonds issued by the state under this section and sections 201 and 203 through 207 of this act to continue in effect and not to impair the operation of the state lottery as authorized in chapter 67.70 RCW for the payment and security of the bonds. The state finance committee shall include this pledge and agreement of the state to owners of any bonds issued under this section and sections 201 and 203 through 207 of this act. The owner of any bond or the trustee for the owner of any of the bonds may by mandamus or other appropriate proceeding require the transfer and payment of pledged revenues as directed in this section.

(2) For purposes of this section and sections 201 and 203 through 209 of this act:

(a) "Washington opportunity pathways account revenues" means all revenues of the Washington opportunity pathways account in RCW 28B.76.526 including, but not limited to, net lottery revenues and net shared game lottery revenues;

(b) "Net lottery revenues" means all revenues deposited in the lottery account, excluding revenues used to make the following distributions under RCW 67.70.240: Payment of prizes under RCW 67.70.240(1)(a) other than unclaimed prizes under RCW 67.70.190; deposits made by the lottery commission in the reserve account and lottery administrative account under RCW 67.70.240(1)(b); amounts obligated under RCW 67.70.240(1)(d); amounts used for the purchase and promotion of games and services under RCW 67.70.240(1)(e); and payments to agents under RCW 67.70.240(1)(f); and

(c) "Net shared game lottery revenues" means all moneys deposited in the shared game lottery account in RCW 67.70.044 excluding direct expenses of the shared game.

Sec. 203. RCW 67.70.230 and 2010 1st sp.s. c 37 s 941 are each amended to read as follows:

NET LOTTERY REVENUES PLEDGED TO BONDS. There is hereby created and established a separate account, to be known as the state lottery account. Such account shall be managed, maintained, and controlled by the commission and shall consist of all revenues received from the sale of lottery tickets or shares, and all other moneys credited or transferred thereto from any other fund or source pursuant to law. The account shall be a separate account outside the state treasury. No appropriation is required to permit expenditures and payment of obligations from the account. ((~~During the 2009-2011 fiscal biennium, the legislature may transfer from the state lottery account to the education legacy trust account such amounts as reflect the excess fund balance of the account.~~)) As set forth in section 202 of this act, net lottery revenues are pledged to principal and interest payments on bonds issued under section 201 of this act, including any required reserves as provided in the bond proceedings, and must be transferred for this purpose by the state treasurer into the Washington opportunity pathways account in RCW 28B.76.526.

Sec. 204. RCW 67.70.044 and 2010 1st sp.s. c 37 s 940 are each amended to read as follows:

NET SHARED GAME LOTTERY REVENUES PLEDGED TO BONDS. (1) Pursuant to RCW 67.70.040(1)(a), the commission may enter into the multistate agreement establishing a shared game lottery known as "The Big Game," that was entered into by party state lotteries in August 1996 and subsequently amended and a shared game lottery known as "Powerball."

(2) The shared game lottery account is created as a separate account outside the state treasury. The account is managed, maintained, and controlled by the commission and consists of all revenues received from the sale of shared game lottery tickets or shares, and all other moneys credited or transferred to it from any other fund or source under law. The account is allotted according to chapter 43.88 RCW. ((~~During the 2009-2011 fiscal biennium, the legislature may transfer from the shared game lottery account to the education legacy trust account such amounts as reflect the excess fund balance of the account.~~))

(3) As set forth in section 202 of this act, net shared game lottery revenues deposited in the shared game lottery account are pledged to principal and interest payments on bonds issued under section 201 of this act, including any required reserves as provided in the bond proceedings, and must be transferred for this purpose by the state treasurer into the Washington opportunity pathways account in RCW 28B.76.526.

NEW SECTION. **Sec. 205.** BOND PROCEEDS DEPOSITED INTO EDUCATION CONSTRUCTION REVENUE BOND PROCEEDS ACCOUNT. The proceeds from the sale of bonds authorized in section 201 of this act shall be deposited in the education construction revenue bond proceeds account hereby created in the state treasury. Moneys in the account may be spent only after appropriation and only for the purposes stated in section 201 of this act, for the payment of bond anticipation notes or other interim

financing, if any, capitalizing interest on the bonds, and payment of expenses incurred in the sale and issuance of the bonds, including underwriter compensation. The state treasurer may establish subaccounts in the account for the purpose of segregating bond proceeds, including separate subaccounts for segregating proceeds of tax-exempt bonds and taxable bonds.

Sec. 206. RCW 28B.76.526 and 2010 1st sp.s. c 27 s 2 are each amended to read as follows:

WASHINGTON OPPORTUNITY PATHWAYS ACCOUNT; PRIORITY PLEDGE OF REVENUES TO BONDS. (1) The Washington opportunity pathways account is created in the state treasury. Deposits to the account must include net lottery revenues as defined in section 202 of this act that are required to be deposited in the account pursuant to RCW 67.70.230, net shared game lottery revenues as defined in section 202 of this act that are required to be deposited in the account pursuant to RCW 67.70.044, and any other amounts directed by the legislature to be transferred to or deposited in the account.

(2) As set forth in sections 202, 208, and 209 of this act, net lottery revenues and net shared game lottery revenues deposited in the account are pledged to principal and interest payments on bonds issued under section 201 of this act, including any required reserves as provided in the bond proceedings. This pledge of Washington opportunity pathways account revenues to pay and secure bonds issued under section 201 of this act takes priority over the use of Washington opportunity pathways account revenues to make any other expenditures from the account for any other purpose. Before any other expenditures may be made from the account, moneys in the account must have been expended or set aside on or before the applicable payment date for debt service requirements and debt service reserve requirements of the bonds issued under section 201 of this act in the amounts certified from time to time by the state finance committee pursuant to section 207 of this act. The state finance committee in the bond proceedings may provide for the establishment of a special subaccount in the account to serve as a debt service reserve fund for bonds issued under section 201 of this act.

(3) After applicable debt service requirements and debt service reserve requirements for bonds issued under section 201 of this act have been satisfied or provided for pursuant to subsection (2) of this section, other expenditures from the account may be used only for programs in chapter 28B.12 RCW (state work-study), chapter 28B.50 RCW (opportunity grant), RCW 28B.76.660 (Washington scholars award), RCW 28B.76.670 (Washington award for vocational excellence), chapter 28B.92 RCW (state need grant program), chapter 28B.101 RCW (educational opportunity grant), chapter 28B.105 RCW (GET ready for math and science scholarship), chapter 28B.117 RCW (passport to college promise), chapter 28B.118 RCW (college bound scholarship), chapter 28B.119 RCW (Washington promise scholarship), chapter 43.215 RCW (early childhood education and assistance program), and RCW 43.330.280 (recruitment of entrepreneurial researchers, innovation partnership zones and research teams).

NEW SECTION. **Sec. 207.** RETIREMENT OF BONDS. (1) The nondebt- limit bond retirement account shall be used for the payment of principal of and interest on the bonds authorized in section 201 of this act.

(2) The state finance committee shall, on or before June 30th of each year, certify to the state treasurer the amount required for principal and interest payments on the bonds and the amounts, if any, required for the funding or replenishment of any debt service reserve fund for the bonds in accordance with the bond proceedings.

(3) On each date on which any principal and interest payment is due on bonds or on which any amount is required for the funding or replenishment of any debt service reserve fund for bonds issued for the purposes of section 201 of this act, the state treasurer shall withdraw from the Washington opportunity pathways account an amount equal to the amount certified by the state finance committee to be due or required on such date.

Sec. 208. RCW 67.70.240 and 2013 c 136 s 1 are each amended to read as follows:

DISTRIBUTION OF LOTTERY REVENUES. (1) The moneys in the state lottery account may be used only:

(a) For the payment of prizes to the holders of winning lottery tickets or shares;

(b) For purposes of making deposits into the reserve account created by RCW 67.70.250 and into the lottery administrative account created by RCW 67.70.260;

(c) ((~~For purposes of making deposits into the Washington opportunity pathways account created in RCW 28B.76.526. Moneys in the state lottery account deposited in the Washington opportunity pathways account are included in "general state revenues" under RCW 39.42.070;~~)) For deposits in the Washington opportunity pathways account for purposes of debt service payments and any required reserve on bonds issued under section 201 of this act and for other authorized purposes of the account after such payments are made;

(d) For distribution to the stadium and exhibition center account, created in RCW 43.99N.060. Subject to the conditions of RCW 43.99N.070, six million dollars must be distributed under this subsection during the calendar year 1998. During subsequent years, such distribution must equal the prior year's distributions increased by four percent. No distribution may be made under this subsection after December 31, 1999, unless the conditions for issuance of the bonds under RCW 43.99N.020(2) are met. Distributions under this subsection must cease when the bonds are retired, but not later than December 31, 2020;

(e) For the purchase and promotion of lottery games and game-related services; and

(f) For the payment of agent compensation.

(2) The office of financial management shall require the allotment of all expenses paid from the account and shall report to the ways and means committees of the senate and house of representatives any changes in the allotments.

Sec. 209. RCW 67.70.340 and 2012 1st sp.s. c 10 s 6 are each amended to read as follows:

DISTRIBUTION OF SHARED GAME REVENUES. (1) ((~~The legislature recognizes that creating a shared game lottery could result in less revenue being raised by the existing state lottery ticket sales. The legislature further recognizes that the fund most impacted by this potential event is the Washington opportunity pathways account. Therefore, it is the intent of the legislature to use some of the proceeds from the shared game lottery to make up the difference that the potential state lottery revenue loss would have on the Washington opportunity pathways account. The legislature further intends to use some of the proceeds from the shared game lottery to fund programs and services related to problem and pathological gambling.~~

~~(2) The Washington opportunity pathways account is expected to receive one hundred two million dollars annually from state lottery games other than the shared game lottery. For fiscal year 2011 and thereafter, if the amount of lottery revenues earmarked for the Washington opportunity pathways account is less than one hundred two million dollars, the commission, after making the transfer required under subsection (3) of this section, must transfer sufficient moneys from revenues derived from the shared game lottery into the Washington opportunity pathways account to bring the total revenue up to one hundred two million dollars.~~

~~(3)~~)) If at any time the amount available to be transferred from the state lottery account in RCW 67.70.240 to the Washington opportunity pathways account pursuant to section 207 of this act is insufficient to satisfy the amount certified under RCW 28B.76.526, then before the commission may make any transfers under this section the treasurer must transfer net shared game lottery revenues

from the shared game lottery account to the Washington opportunity pathways account.

(a) The commission shall transfer, from revenue derived from the shared game lottery, to the problem gambling account created in RCW 43.20A.892, an amount equal to the percentage specified in (b) of this subsection of net receipts. For purposes of this subsection, "net receipts" means the difference between (i) revenue received from the sale of lottery tickets or shares and revenue received from the sale of shared game lottery tickets or shares; and (ii) the sum of payments made to winners.

(b) In fiscal year 2006, the percentage to be transferred to the problem gambling account is one-tenth of one percent. In fiscal year 2007 and subsequent fiscal years, the percentage to be transferred to the problem gambling account is thirteen one-hundredths of one percent.

((~~(4)~~)) (2) The commission shall transfer the remaining net revenues, if any, derived from the shared game lottery "Powerball" authorized in RCW 67.70.044(1) after the transfers pursuant to this section into the state general fund for support for the program of basic education under RCW 28A.150.200.

((~~(5)~~)) (3) The remaining net revenues, if any, in the shared game lottery account after the transfers pursuant to this section shall be deposited into the Washington opportunity pathways account.

Sec. 210. RCW 67.70.040 and 2006 c 290 s 3 are each amended to read as follows:

LOTTERY COMMISSION DUTIES. The commission shall have the power, and it shall be its duty:

(1) To adopt rules governing the establishment and operation of a state lottery as it deems necessary and desirable in order that such a lottery be initiated at the earliest feasible and practicable time, and in order that such lottery produce the maximum amount of net revenues for the state consonant with the dignity of the state and the general welfare of the people. Such rules shall include, but shall not be limited to, the following:

(a) The type of lottery to be conducted which may include the selling of tickets or shares, but such tickets or shares may not be sold over the internet. The use of electronic or mechanical devices or video terminals which allow for individual play against such devices or terminals shall be prohibited. An affirmative vote of sixty percent of both houses of the legislature is required before offering any game allowing or requiring a player to become eligible for a prize or to otherwise play any portion of the game by interacting with any device or terminal involving digital, video, or other electronic representations of any game of chance, including scratch tickets, pull- tabs, bingo, poker or other cards, dice, roulette, keno, or slot machines. Approval of the legislature shall be required before entering any agreement with other state lotteries to conduct shared games;

(b) The price, or prices, of tickets or shares in the lottery;

(c) The numbers and sizes of the prizes on the winning tickets or shares;

(d) The manner of selecting the winning tickets or shares, except as limited by (a) of this subsection;

(e) The manner and time of payment of prizes to the holder of winning tickets or shares which, at the director's option, may be paid in lump sum amounts or installments over a period of years;

(f) The frequency of the drawings or selections of winning tickets or shares. Approval of the legislature is required before conducting any online game in which the drawing or selection of winning tickets occurs more frequently than once every twenty-four hours;

(g) Without limit as to number, the type or types of locations at which tickets or shares may be sold;

(h) The method to be used in selling tickets or shares, except as limited by (a) of this subsection;

(i) The licensing of agents to sell or distribute tickets or shares, except that a person under the age of eighteen shall not be licensed as an agent;

(j) The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public;

(k) The apportionment of the total revenues accruing from the sale of lottery tickets or shares and from all other sources among: (i) The payment of prizes to the holders of winning tickets or shares, which shall not be less than forty-five percent of the gross annual revenue from such lottery, (ii) transfers to the lottery administrative account created by RCW 67.70.260, ((~~and~~)) (iii) ((~~transfer to the state's general fund. Transfers to the state general fund shall be made in compliance with RCW 43.01.050~~)) transfers of net lottery revenues and net shared game lottery revenues to the Washington opportunity pathways account as required by sections 202 through 204, 206, and 207 of this act, and (iv) transfers established in RCW 67.70.240 and 67.70.340;

(l) Such other matters necessary or desirable for the efficient and economical operation and administration of the lottery and for the convenience of the purchasers of tickets or shares and the holders of winning tickets or shares.

(2) To ensure that in each place authorized to sell lottery tickets or shares, on the back of the ticket or share, and in any advertising or promotion there shall be conspicuously displayed an estimate of the probability of purchasing a winning ticket.

(3) To amend, repeal, or supplement any such rules from time to time as it deems necessary or desirable.

(4) To advise and make recommendations to the director for the operation and administration of the lottery.

NEW SECTION. **Sec. 211.** ANALYSIS OF FINANCING STRUCTURE. (1) The state finance committee and the office of financial management must conduct an objective analysis of the most effective financing structure for the lottery revenue bonds authorized in section 201 of this act.

(2) In conducting the objective analysis, the state finance committee and the office of financial management must review data, information, and analysis from multiple sources, including consultation with a minimum of five firms with expertise in helping state and local governments organize and manage a wide variety of financing structures, including revenue bonds.

(3) The objective analysis must consider and rate options designed to:

(a) Maximize the amount of bond proceeds available to address all- day kindergarten and K-3 class size reduction facility needs;

(b) Leverage lottery revenues in a manner that would cause the bonds to be rated at the highest investment grade possible;

(c) Achieve the lowest cost of issuance; and

(d) Strengthen the issuance and its marketability to investors by considering terms of borrowing such as maturity, debt service reserves, coverage ratios, legal covenants, and other credit enhancements.

(4) The state finance committee and the office of financial management shall provide a report to the legislature by December 1, 2014, that includes the options considered and recommendations on the preferred financing structure for the lottery revenue bonds.

PART III

GRANT PROGRAM

NEW SECTION. **Sec. 301.** SUPERINTENDENT OF PUBLIC INSTRUCTION-- GRANT PROGRAM PREPARATION. (1) The legislature intends to provide funding in the 2015-2017 fiscal biennium for grants to school districts to address the physical capacity

required for statewide implementation of all-day kindergarten and K-3 class size reduction.

(2) The office of the superintendent of public instruction shall establish a plan for grant allocations that considers the following criteria: Public schools must demonstrate the existence of unhoused K- 3 students based on a ninety square feet student space allocation per enrolled student in a public school.

(3)(a) The office of the superintendent of public instruction may award grants to school districts for the following types of projects: (i) Projects to modernize existing building space; (ii) projects to build permanent instructional space; (iii) the purchase and installation of modular facilities; and (iv) the purchase and installation of portable facilities.

(b) For the purposes of this subsection:

(i) "Modular facility" means a factory-built structure, whether a total building or a room, which is either wholly manufactured or is in substantial part manufactured at an off-site location to be wholly or partially assembled on-site. Modular facility does not include mobile homes or manufactured homes as defined in RCW 46.04.302; and

(ii) "Portable facility" means a prefabricated structure consisting of one or more rooms with direct exterior egress from the classroom or classrooms. The structure is transportable in one or more sections and is designed to be used as an educational space with or without a permanent foundation. The structure is capable of being demounted and relocated to other locations as needs arise.

(4) One hundred percent of the project costs are eligible for grants under this section.

(5) Grants must be awarded solely for instructional space used by K-3 students.

(6) Subject to the approval of the office of the superintendent of public instruction, grant awards to a school district under this section for a project at an identified public school may be reallocated for use at another public school, including reopening an existing school building within the district if the school can demonstrate it is unable to build permanent space, or install a modular or portable facility at the identified school.

(7) The office of the superintendent of public instruction shall develop rules to implement the grant program authorized under this section.

(8) The office of the superintendent of public instruction shall provide a report to the appropriate policy and fiscal committees of the legislature by December 1, 2014, describing: Estimated need for additional classrooms to address all-day kindergarten and K-3 class size reduction by school; implementation timelines; and proposed rules.

PART IV

MISCELLANEOUS

NEW SECTION. **Sec. 401.** CODIFICATION. Sections 201, 202, 205, and 207 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. **Sec. 402.** EFFECTIVE DATE. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

Correct the title.

Representatives Dunshee and MacEwen spoke in favor of the adoption of the amendment.

Amendment (861) was adopted.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Stanford, MacEwen, Stonier, Magendanz, Farrell, Smith and Bergquist spoke in favor of the passage of the bill.

Representatives Overstreet and Scott spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 2797.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 2797, and the bill passed the House by the following vote: Yeas, 90; Nays, 7; Absent, 0; Excused, 1.

Voting yea: Representatives Appleton, Bergquist, Blake, Carlyle, Chandler, Christian, Clibborn, Cody, Dahlquist, DeBolt, Dunshee, Fagan, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Gregerson, Habib, Haigh, Haler, Hansen, Hargrove, Harris, Hawkins, Hayes, Holy, Hope, Hudgins, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Klippert, Kochmar, Kretz, Kristiansen, Lytton, MacEwen, Magendanz, Manweller, Moeller, Morrell, Morris, Moscoso, Muri, Nealey, Orcutt, Ormsby, Ortiz-Self, Orwall, Parker, Pettigrew, Pike, Pollet, Reykdal, Riccelli, Roberts, Robinson, Rodne, Ross, Ryu, Santos, Sawyer, Schmick, Seaquist, Sells, Senn, Short, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Tharinger, Van De Wege, Vick, Walkinshaw, Walsh, Warnick, Wilcox, Wylie, Young, Zeiger and Mr. Speaker.

Voting nay: Representatives Buys, Condotta, G. Hunt, Overstreet, Scott, Shea and Taylor.

Excused: Representative S. Hunt.

ENGROSSED HOUSE BILL NO. 2797, having received the necessary constitutional majority, was declared passed.

HOUSE BILL NO. 2762, by Representatives Clibborn, Fey and Gregerson

Making 2013-2015 supplemental transportation appropriations.

The bill was read the second time.

There being no objection, Substitute House Bill No. 2762 was substituted for House Bill No. 2762 and the substitute bill was placed on the second reading calendar.

SUBSTITUTE HOUSE BILL NO. 2762 was read the second time.

With the consent of the house, amendment (849) was withdrawn.

Representative Overstreet moved the adoption of amendment (859).

On page 9, line 16, decrease the Motor Vehicle Account--State Appropriation by $450,000

On page 9, line 20, correct the total.

On page 11, beginning on line 31, strike all of subsections (6) and (7)

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 29, line 31, decrease the Motor Vehicle Account--State Appropriation by $21,000

On page 30, beginning on line 24, strike all of subsections (3) and (4)

On page 83, beginning on line 10, strike all of section 705

Renumber the remaining sections consecutively and correct any internal references accordingly. Correct the title.

Representative Overstreet spoke in favor of the adoption of the amendment.

Representative Fey spoke against the adoption of the amendment.

Amendment (859) was not adopted.

Representative Orcutt moved the adoption of amendment (853).

On page 21, after line 17, insert the following:

"(24) The department when modernizing its computer systems must place personal and company data elements in separate data fields to allow the department to select discrete data elements when providing information or data to persons or entities outside the department. This requirement must be included as part of the systems design in the department's business and technology modernization. A person's photo, social security number, or medical information must not be made available through public disclosure or data being provided under RCW 46.12.630."

Representatives Orcutt and Fey spoke in favor of the adoption of the amendment.

Amendment (853) was adopted.

Representative Ross moved the adoption of amendment (860).

On page 36, line 31, decrease the state vehicle parking account--state appropriation by $754,000

On page 37, line 3, decrease the multimodal transportation account--state appropriation by $6,724,000

On page 37, line 8, correct the total.

On page 39, beginning on line 23, strike all of subsection (7) and insert the following:

"(((~~(7) 6,122,000 of the total appropriation in this section is provided solely for CTR grants and activities. Of this amount:~~

~~(a) $3,900,000 of the multimodal transportation account-state appropriation is provided solely for grants to local jurisdictions, selected by the CTR board, for the purpose of assisting employers meet CTR goals;~~

~~(b) $1,770,000 of the multimodal transportation account-state appropriation is provided solely for state costs associated with CTR. The department shall develop more efficient methods of CTR assistance and survey procedures; and~~

~~(c) $452,000 of the state vehicle parking account-state appropriation is provided solely for CTR-related expenditures, including all expenditures related to the guaranteed ride home program and the STAR pass program.~~))"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 40, beginning on line 8, strike all of subsection (10)

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 86, after line 16, insert the following:

"**Sec. 710.** RCW 70.94.531 and 2013 c 26 s 1 are each amended to read as follows:

(1) State agency worksites are subject to the same requirements under this section and RCW 70.94.534 as private employers.

(2) Not more than ninety days after the adoption of a jurisdiction's commute trip reduction plan, each major employer in that jurisdiction ((~~shall~~)) may perform a baseline measurement consistent with the rules established by the department of transportation under RCW 70.94.537. Not more than ninety days after receiving the results of the baseline measurement, each major employer ((~~shall~~)) may develop a commute trip reduction program and ((~~shall~~)) may submit a description of that program to the jurisdiction for review. The program ((~~shall~~)) may be implemented not more than ninety days after approval by the jurisdiction.

(3) A commute trip reduction program of a major employer ((~~shall~~)) may consist of((~~, at a minimum~~)): (a) Designation of a transportation coordinator and the display of the name, location, and telephone number of the coordinator in a prominent manner at each affected worksite; (b) regular distribution of information to employees regarding alternatives to single-occupant vehicle commuting; (c) a ((~~regular~~)) review of employee commuting and reporting of progress toward meeting the single-occupant vehicle reduction goals to the county, city, or town consistent with the method established in the commute trip reduction plan and the rules established by the department of transportation under RCW 70.94.537; and (d) implementation of a set of measures designed to achieve the applicable commute trip reduction goals adopted by the jurisdiction. Such measures may include, but are not limited to:

(i) Provision of preferential parking or reduced parking charges, or both, for high occupancy vehicles and motorcycles;

(ii) Instituting or increasing parking charges for single-occupant vehicles;

(iii) Provision of commuter ride matching services to facilitate employee ridesharing for commute trips;

(iv) Provision of subsidies for transit fares;

(v) Provision of vans for van pools;

(vi) Provision of subsidies for car pooling or van pooling;

(vii) Permitting the use of the employer's vehicles for car pooling or van pooling;

(viii) Permitting flexible work schedules to facilitate employees' use of transit, car pools, or van pools;

(ix) Cooperation with transportation providers to provide additional regular or express service to the worksite;

(x) Construction of special loading and unloading facilities for transit, car pool, and van pool users;

(xi) Provision of bicycle parking facilities, lockers, changing areas, and showers for employees who bicycle or walk to work;

(xii) Provision of a program of parking incentives such as a rebate for employees who do not use the parking facility;

(xiii) Establishment of a program to permit employees to work part or full time at home or at an alternative worksite closer to their homes;

(xiv) Establishment of a program of alternative work schedules such as compressed work week schedules which reduce commuting; and

(xv) Implementation of other measures designed to facilitate the use of high occupancy vehicles such as on-site day care facilities and emergency taxi services.

(4) Employers or owners of worksites may form or utilize existing transportation management associations or other transportation-related associations authorized by RCW 35.87A.010 to assist members in developing and implementing commute trip reduction programs.

(5) Employers ((~~shall~~)) may make a good faith effort towards achievement of the goals identified in RCW 70.94.527(4)(d).

Sec. 711. RCW 70.94.534 and 2006 c 329 s 6 are each amended to read as follows:

(1) Each jurisdiction implementing a commute trip reduction plan under this chapter or as part of a plan or ordinance developed under RCW 36.70A.070 ((~~shall~~)) may review each participating employer's initial commute trip reduction program to determine if the program is likely to meet the applicable commute trip reduction goals. The participating employer shall be notified by the jurisdiction of its findings. If the jurisdiction finds that the program is not likely to meet the applicable commute trip reduction goals, the jurisdiction ((~~will~~)) may work with the participating employer to modify the program as necessary. The jurisdiction ((~~shall~~)) should complete review of each employer's initial commute trip reduction program within ninety days of receipt.

(2) Participating employers implementing commute trip reduction programs are expected to undertake good faith efforts to achieve the goals outlined in RCW 70.94.527(4). Participating employers are considered to be making a good faith effort if the following conditions have been met:

(a) The employer has met the minimum requirements identified in RCW 70.94.531;

(b) The employer has notified the jurisdiction of its intent to substantially change or modify its program and has either received the approval of the jurisdiction to do so or has acknowledged that its program may not be approved without additional modifications;

(c) The employer has provided adequate information and documentation of implementation when requested by the jurisdiction; and

(d) The employer is working collaboratively with its jurisdiction to continue its existing program or is developing and implementing program modifications likely to result in improvements to the program over an agreed upon length of time.

(3) Each jurisdiction ((~~shall~~)) may review at least once every two years each participating employer's progress and good faith efforts toward meeting the applicable commute trip reduction goals. If ((~~an~~)) a participating employer makes a good faith effort, as defined in this section, but is not likely to meet the applicable commute trip reduction goals, the jurisdiction ((~~shall~~)) may work collaboratively with the participating employer to make modifications to the commute trip reduction program. Failure of ((~~an~~)) a participating employer to reach the applicable commute trip reduction goals is not a violation of this chapter.

(4) ((~~If an employer fails to make a good faith effort and fails to meet the applicable commute trip reduction goals, the jurisdiction shall work collaboratively with the employer to propose modifications to the program and shall direct the employer to revise its program within thirty days to incorporate those modifications or modifications which the jurisdiction determines to be equivalent.~~

~~(5) Each jurisdiction implementing a commute trip reduction plan pursuant to this chapter may impose civil penalties, in the manner provided in chapter 7.80 RCW, for failure by an employer to implement a commute trip reduction program or to modify its commute trip reduction program as required in subsection (4) of this section.~~)) No participating major employer may be held liable for civil penalties for failure to reach the applicable commute trip reduction goals. No participating major employer shall be liable for civil penalties ((~~under this chapter~~)) if failure to achieve a commute trip reduction program goal was the result of an inability to reach agreement with a certified collective bargaining agent under applicable laws where the issue was raised by the employer and pursued in good faith.

((~~(6)~~)) (5) Jurisdictions shall notify participating major employers of the procedures for applying for goal modification or exemption from the commute trip reduction requirements based on the guidelines established by the commute trip reduction board authorized under RCW 70.94.537.

NEW SECTION. **Sec. 712.** A new section is added to chapter 70.94 RCW to read as follows:

The secretary of the department of transportation may, within existing resources, coordinate an interagency board or other interested parties for the purpose of developing policies or guidelines that promote consistency among state agency commute trip reduction programs required under RCW 70.94.527 and 70.94.531.

Sec. 713. RCW 43.01.225 and 2011 1st sp.s. c 43 s 253 are each amended to read as follows:

There is hereby established an account in the state treasury to be known as the "state vehicle parking account." All parking rental income resulting from parking fees established by the department of enterprise services under RCW 46.08.172 at state-owned or leased property shall be deposited in the "state vehicle parking account." Revenue deposited in the "state vehicle parking account" shall be first applied to pledged purposes. Unpledged parking revenues deposited in the "state vehicle parking account" may be used to:

(1) Pay costs incurred in the operation, maintenance, regulation, and enforcement of vehicle parking and parking facilities; and

(2) Support the lease costs and/investment costs of vehicle parking and parking facilities((~~; and~~

~~(3) Support agency commute trip reduction programs under RCW 70.94.521 through 70.94.551~~)).

Sec. 714. RCW 43.01.240 and 1998 c 245 s 46 are each amended to read as follows:

(1) There is hereby established an account in the state treasury to be known as the state agency parking account. All parking income collected from the fees imposed by state agencies on parking spaces at state-owned or leased facilities, including the capitol campus, shall be deposited in the state agency parking account. Only the office of financial management may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures. No agency may receive an allotment greater than the amount of revenue deposited into the state agency parking account.

(2) An agency may, as an element of the agency's commute trip reduction program to achieve the goals set forth in RCW 70.94.527, impose parking rental fees at state-owned and leased properties. These fees will be deposited in the state agency parking account. Each agency shall establish a committee to advise the agency director on parking rental fees, taking into account the market rate of comparable, privately owned rental parking in each region. The agency shall solicit representation of the employee population including, but not limited to, management, administrative staff, production workers, and state employee bargaining units. Funds shall be used by agencies to: (a) ((~~Support the agencies' commute trip reduction program under RCW 70.94.521 through 70.94.551; (b)~~)) Support the agencies' parking program; or ((~~(c)~~)) (b) support the lease or ownership costs for the agencies' parking facilities.

(3) In order to reduce the state's subsidization of employee parking, after July 1997 agencies shall not enter into leases for employee parking in excess of building code requirements, except as authorized by the director of ((~~general administration~~)) enterprise services. In situations where there are fewer parking spaces than employees at a worksite, parking must be allocated equitably, with no special preference given to managers.

Sec. 715. RCW 43.41.140 and 1993 c 394 s 3 are each amended to read as follows:

Pursuant to policies and regulations promulgated by the office of financial management, an elected state officer or delegate or a state agency director or delegate may permit an employee to commute in a state-owned or leased vehicle if such travel is on official business, as determined in accordance with RCW 43.41.130, and is determined to be economical and advantageous to the state((~~, or as part of a commute trip reduction program as required by RCW 70.94.551~~)).

Sec. 716. RCW 43.01.230 and 1995 c 215 s 1 are each amended to read as follows:

(1) State agencies may, under the internal revenue code rules, use public funds to financially assist agency-approved incentives for alternative commute modes, including but not limited to carpools, vanpools, purchase of transit and ferry passes, and guaranteed ride home programs, if the financial assistance is an element of the agency's commute trip reduction program as required under RCW 70.94.521 through 70.94.551. This section does not permit any payment for the use of state-owned vehicles for commuter ride sharing.

(2) This section has no force or effect until after June 30, 2015.

Sec. 717. RCW 70.94.551 and 2009 c 427 s 3 are each amended to read as follows:

(1) The secretary of the department of transportation may coordinate an interagency board or other interested parties for the purpose of developing policies or guidelines that promote consistency among state agency commute trip reduction programs required by RCW 70.94.527 and 70.94.531 or developed under the joint comprehensive commute trip reduction plan described in this section. The board shall include representatives of the departments of transportation, *general administration, ecology, and **community, trade, and economic development and such other departments and interested groups as the secretary of the department of transportation determines to be necessary. Policies and guidelines shall be applicable to all state agencies including but not limited to policies and guidelines regarding parking and parking charges, employee incentives for commuting by other than single-occupant automobiles, flexible and alternative work schedules, alternative worksites, and the use of state-owned vehicles for car and van pools and guaranteed rides home. The policies and guidelines shall also consider the costs and benefits to state agencies of achieving commute trip reductions and consider mechanisms for funding state agency commute trip reduction programs.

(2) State agencies sharing a common location in affected urban growth areas where the total number of state employees is one hundred or more shall, with assistance from the department of transportation, develop and implement a joint commute trip reduction program. The worksite must be treated as specified in RCW 70.94.531 and 70.94.534.

(3) The department of transportation shall develop a joint comprehensive commute trip reduction plan for all state agencies, including institutions of higher education, located in the Olympia, Lacey, and Tumwater urban growth areas.

(a) In developing the joint comprehensive commute trip reduction plan, the department of transportation shall work with applicable state agencies, including institutions of higher education, and shall collaborate with the following entities: Local jurisdictions; regional transportation planning organizations as described in chapter 47.80 RCW; transit agencies, including regional transit authorities as described in chapter 81.112 RCW and transit agencies that serve areas within twenty- five miles of the Olympia, Lacey, or Tumwater urban growth areas; and the capitol campus design advisory committee established in RCW 43.34.080.

(b) The joint comprehensive commute trip reduction plan must build on existing commute trip reduction programs and policies. At a minimum, the joint comprehensive commute trip reduction plan must include strategies for telework and flexible work schedules, parking management, and consideration of the impacts of worksite location and design on multimodal transportation options.

(c) The joint comprehensive commute trip reduction plan must include performance measures and reporting methods and requirements.

(d) The joint comprehensive commute trip reduction plan may include strategies to accommodate differences in worksite size and location.

(e) The joint comprehensive commute trip reduction plan must be consistent with jurisdictional and regional transportation, land use, and commute trip reduction plans, the state six-year facilities plan, and the master plan for the capitol of the state of Washington.

(f) Not more than ninety days after the adoption of the joint comprehensive commute trip reduction plan, state agencies within the three urban growth areas must implement a commute trip reduction program consistent with the objectives and strategies of the joint comprehensive commute trip reduction plan.

(4) The department of transportation shall review the initial commute trip reduction program of each state agency subject to the commute trip reduction plan for state agencies to determine if the program is likely to meet the applicable commute trip reduction goals and notify the agency of any deficiencies. If it is found that the program is not likely to meet the applicable commute trip reduction goals, the department of transportation will work with the agency to modify the program as necessary.

(5) Each state agency implementing a commute trip reduction plan shall report at least once per year to its agency director on the performance of the agency's commute trip reduction program as part of the agency's quality management, accountability, and performance system as defined by RCW 43.17.385. The reports shall assess the performance of the program, progress toward state goals established under RCW 70.94.537, and recommendations for improving the program.

(6) The department of transportation shall review the agency performance reports defined in subsection (5) of this section and submit a biennial report for state agencies subject to this chapter to the governor and incorporate the report in the commute trip reduction board report to the legislature as directed in RCW 70.94.537(6). The report shall include, but is not limited to, an evaluation of the most recent measurement results, progress toward state goals established under RCW 70.94.537, and recommendations for improving the performance of state agency commute trip reduction programs. The information shall be reported in a form established by the commute trip reduction board.

(7) This section has no force or effect until after June 30, 2015.

Sec. 718. RCW 70.94.555 and 2006 c 329 s 3 are each amended to read as follows:

(1) Nothing in chapter 329, Laws of 2006 preempts the ability of state employees to collectively bargain over commute trip reduction issues, including parking fees under chapter 41.80 RCW, or the ability of private sector employees to collectively bargain over commute trip reduction issues if previously such issues were mandatory subjects of collective bargaining.

(2) This section has no force or effect until after June 30, 2015.

NEW SECTION. **Sec. 719.** Sections 710 through 715 of this act expire June 30, 2015."

Representatives Ross, Johnson and DeBolt and Johnson (again) spoke in favor of the adoption of the amendment.

Representative Farrell spoke against the adoption of the amendment.

Amendment (860) was not adopted.

Representative Orcutt moved the adoption of amendment (852).

On page 39, line 2, after "than" strike "((~~twenty-five~~)) thirty" and insert "twenty-five"

Representatives Orcutt and Young spoke in favor of the adoption of the amendment.

Representative Fitzgibbon spoke against the adoption of the amendment.

Amendment (852) was not adopted.

Representative Manweller moved the adoption of amendment (835).

On page 44, line 4, after "December 15, 2014," insert "submit a preliminary report of key findings and recommendations to the transportation committees of the legislature and the office of financial management by March 1, 2015,"

Representatives Manweller and Moscoso spoke in favor of the adoption of the amendment.

Amendment (835) was adopted.

Representative Fitzgibbon moved the adoption of amendment (858).

On page 51, line 7, after "(8)" insert "(a)"

On page 51, line 15, after "However," insert "except as otherwise provided in this subsection,"

On page 51, after line 23, insert the following:

"(b) $6,000,000 of the project funding currently available for central waterfront construction mitigation is provided solely for public transportation mitigation."

Representative Fitzgibbon spoke in favor of the adoption of the amendment.

Representative Orcutt spoke against the adoption of the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 54 - YEAS; 43 - NAYS.

Amendment (858) was adopted.

Representative Walkinshaw moved the adoption of amendment (872).

On page 53, after line 38, insert the following:

"(13) Within the amounts provided in this section, the department must continue to work with the Seattle department of transportation in their joint planning, design, outreach, and operation of the remaining west side elements, including, but not limited to, the Montlake lid, the bicycle/pedestrian path, the effective network of transit connections, and the Portage Bay bridge of the SR 520 Bridge Replacement and HOV project."

Renumber the remaining subsections consecutively and correct any internal references accordingly.

Representative Walkinshaw spoke in favor of the adoption of the amendment.

Representative Orcutt spoke against the adoption of the amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 53 - YEAS; 44 - NAYS.

Amendment (872) was adopted.

Representative Zeiger moved the adoption of amendment (855).

On page 86, after line 16, insert the following:

"NEW SECTION. **Sec. 710.** A new section is added to chapter 43.21C RCW to read as follows:

During the 2013-2015 fiscal biennium, the repair or replacement of a state bridge deemed structurally deficient, as defined in RCW 47.04.010, is exempt from compliance with this chapter as long as the action occurs within the existing right-of- way, except that the repair or replacement may occur outside the existing right-of-way as needed to meet current engineering standards or state or local environmental permit requirements for highway construction as long as the repair or replacement does not result in additional lanes for automobiles. The issuance of applicable state and local agency permits or approvals associated with the repair or replacement of such bridges is also included in this exemption from compliance with this chapter.

Sec. 711. RCW 47.04.010 and 2003 c 244 s 2 and 2003 c 141 s 8 are each reenacted and amended to read as follows:

The following words and phrases, wherever used in this title, shall have the meaning as in this section ascribed to them, unless where used the context thereof shall clearly indicate to the contrary or unless otherwise defined in the chapter of which they are a part:

(1) "Alley." A highway within the ordinary meaning of alley not designated for general travel and primarily used as a means of access to the rear of residences and business establishments;

(2) "Arterial highway." Every highway, as herein defined, or portion thereof designated as such by proper authority;

(3) "Business district." The territory contiguous to and including a highway, as herein defined, when within any six hundred feet along such highway there are buildings in use for business or industrial purposes, including but not limited to hotels, banks, or office buildings, railroad stations, and public buildings which occupy at least three hundred feet of frontage on one side or three hundred feet collectively on both sides of the highway;

(4) "Center line." The line, marked or unmarked parallel to and equidistant from the sides of a two-way traffic roadway of a highway except where otherwise indicated by painted lines or markers;

(5) "Center of intersection." The point of intersection of the center lines of the roadways of intersecting highways;

(6) "City street." Every highway as herein defined, or part thereof located within the limits of incorporated cities and towns, except alleys;

(7) "Combination of vehicles." Every combination of motor vehicle and motor vehicle, motor vehicle and trailer, or motor vehicle and semitrailer;

(8) "Commercial vehicle." Any vehicle the principal use of which is the transportation of commodities, merchandise, produce, freight, animals, or passengers for hire;

(9) "County road." Every highway as herein defined, or part thereof, outside the limits of incorporated cities and towns and which has not been designated as a state highway, or branch thereof;

(10) "Crosswalk." The portion of the roadway between the intersection area and a prolongation or connection of the farthest

sidewalk line or in the event there are no sidewalks then between the intersection area and a line ten feet therefrom, except as modified by a marked crosswalk;

(11) "Highway." Every way, lane, road, street, boulevard, and every way or place in the state of Washington open as a matter of right to public vehicular travel both inside and outside the limits of incorporated cities and towns;

(12) "Intersection area." (a) The area embraced within the prolongation or connection of the lateral curb lines, or, if none, then the lateral boundary lines of the roadways of two or more highways which join one another at, or approximately at, right angles, or the area within which vehicles traveling upon different highways joining at any other angle may come in conflict;

(b) Where a highway includes two roadways thirty feet or more apart, then every crossing of each roadway of such divided highway by an intersecting highway shall be regarded as a separate intersection. In the event such intersecting highway also includes two roadways thirty feet or more apart, then every crossing of two roadways of such highways shall be regarded as a separate intersection;

(c) The junction of an alley with a street or highway shall not constitute an intersection;

(13) "Intersection control area." The intersection area as herein defined, together with such modification of the adjacent roadway area as results from the arc or curb corners and together with any marked or unmarked crosswalks adjacent to the intersection;

(14) "Laned highway." A highway the roadway of which is divided into clearly marked lanes for vehicular traffic;

(15) "Local authorities." Every county, municipal, or other local public board or body having authority to adopt local police regulations under the Constitution and laws of this state;

(16) "Marked crosswalk." Any portion of a roadway distinctly indicated for pedestrian crossing by lines or other markings on the surface thereof;

(17) "Metal tire." Every tire, the bearing surface of which in contact with the highway is wholly or partly of metal or other hard, nonresilient material;

(18) "Motor truck." Any motor vehicle, as herein defined, designed or used for the transportation of commodities, merchandise, produce, freight, or animals;

(19) "Motor vehicle." Every vehicle, as herein defined, which is in itself a self-propelled unit;

(20) "Multiple lane highway." Any highway the roadway of which is of sufficient width to reasonably accommodate two or more separate lanes of vehicular traffic in the same direction, each lane of which shall be not less than the maximum legal vehicle width, and whether or not such lanes are marked;

(21) "Operator." Every person who drives or is in actual physical control of a vehicle as herein defined;

(22) "Peace officer." Any officer authorized by law to execute criminal process or to make arrests for the violation of the statutes generally or of any particular statute or statutes relative to the highways of this state;

(23) "Pedestrian." Any person afoot or who is using a wheelchair, power wheelchair as defined in RCW 46.04.415, or a means of conveyance propelled by human power other than a bicycle;

(24) "Person." Every natural person, firm, copartnership, corporation, association, or organization;

(25) "Personal wireless service." Any federally licensed personal wireless service;

(26) "Personal wireless service facilities." Unstaffed facilities that are used for the transmission or reception, or both, of personal wireless services including, but not necessarily limited to, antenna arrays, transmission cables, equipment shelters, and support structures;

(27) "Pneumatic tires." Every tire of rubber or other resilient material designed to be inflated with compressed air to support the load thereon;

(28) "Private road or driveway." Every way or place in private ownership and used for travel of vehicles by the owner or those having express or implied permission from the owner, but not by other persons;

(29) "Railroad." A carrier of persons or property upon vehicles, other than streetcars, operated upon stationary rails, the route of which is principally outside incorporated cities and towns;

(30) "Railroad sign or signal." Any sign, signal, or device erected by authority of a public body or official or by a railroad and intended to give notice of the presence of railroad tracks or the approach of a railroad train;

(31) "Residence district." The territory contiguous to and including the highway, as herein defined, not comprising a business district, as herein defined, when the property on such highway for a continuous distance of three hundred feet or more on either side thereof is in the main improved with residences or residences and buildings in use for business;

(32) "Roadway." The paved, improved, or proper driving portion of a highway designed, or ordinarily used for vehicular travel;

(33) "Safety zone." The area or space officially set apart within a roadway for the exclusive use of pedestrians and which is protected or is marked or indicated by painted marks, signs, buttons, standards, or otherwise so as to be plainly discernible;

(34) "Sidewalk." That property between the curb lines or the lateral lines of a roadway, as herein defined, and the adjacent property, set aside and intended for the use of pedestrians or such portion of private property parallel and in proximity to a highway and dedicated to use by pedestrians;

(35) "Solid tire." Every tire of rubber or other resilient material which does not depend upon inflation with compressed air for the support of the load thereon;

(36) "State highway." Every highway as herein defined, or part thereof, which has been designated as a state highway, or branch thereof, by legislative enactment;

(37) "Streetcar." A vehicle other than a train, as herein defined, for the transporting of persons or property and operated upon stationary rails principally within incorporated cities and towns;

(38) "Traffic." Pedestrians, ridden or herded animals, vehicles, streetcars, and other conveyances either singly or together while using any highways for purposes of travel;

(39) "Traffic control signal." Any traffic device, as herein defined, whether manually, electrically, or mechanically operated, by which traffic alternately is directed to stop or proceed or otherwise controlled;

(40) "Traffic devices." All signs, signals, markings, and devices not inconsistent with this title placed or erected by authority of a public body or official having jurisdiction, for the purpose of regulating, warning, or guiding traffic;

(41) "Train." A vehicle propelled by steam, electricity, or other motive power with or without cars coupled thereto, operated upon stationary rails, except street cars;

(42) "Vehicle." Every device capable of being moved upon a highway and in, upon, or by which any person or property is or may be transported or drawn upon a highway, excepting power wheelchairs, as defined in RCW 46.04.415, or devices moved by human or animal power or used exclusively upon stationary rails or tracks;

(43) During the 2013-2015 fiscal biennium, "Structurally deficient" means a state bridge that is classified as in poor condition under the state bridge condition rating system and is reported by the state to the national bridge inventory as having a deck, superstructure, or substructure rating of four or below. Structurally deficient bridges are characterized by deteriorated conditions of significant bridge

elements and potentially reduced load carrying capacity. Bridges deemed structurally deficient typically require significant maintenance and repair to remain in service, and require major rehabilitation or replacement to address the underlying deficiency.

Words and phrases used herein in the past, present, or future tense shall include the past, present, and future tenses; words and phrases used herein in the masculine, feminine, or neuter gender shall include the masculine, feminine, and neuter genders; and words and phrases used herein in the singular or plural shall include the singular and plural; unless the context thereof shall indicate to the contrary.

Sec. 712. RCW 47.28.170 and 2006 c 334 s 23 are each amended to read as follows:

(1) Whenever the department finds that as a consequence of accident, natural disaster, or other emergency, an existing state highway is in jeopardy or is rendered impassible in one or both directions and the department further finds that prompt reconstruction, repair, or other work is needed to preserve or restore the highway for public travel, or when, during the 2013-2015 fiscal biennium, the department is preparing to conduct the repair or replacement of a state bridge deemed structurally deficient, as defined in RCW 47.04.010, by the department, the department may obtain at least three written bids for the work without publishing a call for bids, and the secretary of transportation may award a contract forthwith to the lowest responsible bidder.

The department shall notify any association or organization of contractors filing a request to regularly receive notification. Notification to an association or organization of contractors shall include: (a) The location of the work to be done; (b) the general anticipated nature of the work to be done; and (c) the date determined by the department as reasonable in view of the nature of the work and emergent nature of the problem after which the department will not receive bids.

(2) Whenever the department finds it necessary to protect a highway facility from imminent damage or to perform emergency work to reopen a highway facility, the department may contract for such work on a negotiated basis not to exceed force account rates for a period not to exceed thirty working days.

(3) The secretary shall review any contract exceeding seven hundred thousand dollars awarded under subsection (1) or (2) of this section with the office of financial management within thirty days of the contract award.

(4) Any person, firm, or corporation awarded a contract for work must be prequalified pursuant to RCW 47.28.070 and may be required to furnish a bid deposit or performance bond.

(5) During the 2013-2015 fiscal biennium, this section does not prevent the department from notifying contractors, that are not otherwise notified pursuant to subsection (1) of this section, of the availability of work that the department intends to contract for under this section."

Renumber the remaining sections consecutively and correct any internal references accordingly. Correct the title.

Representatives Zeiger and Clibborn spoke in favor of the adoption of the amendment.

Amendment (855) was adopted.

The bill was ordered engrossed.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Clibborn, Ross and Hargrove spoke in favor of the passage of the bill.

Representatives Orcutt and Young spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 2762.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 2762, and the bill passed the House by the following vote: Yeas, 73; Nays, 24; Absent, 0; Excused, 1.

Voting yea: Representatives Appleton, Bergquist, Blake, Carlyle, Clibborn, Cody, Dahlquist, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Gregerson, Habib, Haigh, Hansen, Hargrove, Harris, Hayes, Hope, Hudgins, Hunter, Hurst, Jinkins, Johnson, Kagi, Kirby, Kochmar, Lytton, Magendanz, Manweller, Moeller, Morrell, Morris, Moscoso, Muri, Nealey, Ormsby, Ortiz-Self, Orwall, Parker, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Robinson, Rodne, Ross, Ryu, Santos, Sawyer, Seaquist, Sells, Senn, Smith, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Tharinger, Van De Wege, Walkinshaw, Walsh, Warnick, Wilcox, Wylie, Zeiger and Mr. Speaker.

Voting nay: Representatives Buys, Chandler, Christian, Condotta, DeBolt, Fagan, G. Hunt, Haler, Hawkins, Holy, Klippert, Kretz, Kristiansen, MacEwen, Orcutt, Overstreet, Pike, Schmick, Scott, Shea, Short, Taylor, Vick and Young.

Excused: Representative S. Hunt.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 2762, having received the necessary constitutional majority, was declared passed.

ENGROSSED SUBSTITUTE SENATE BILL NO. 6002, by Senate Committee on Ways & Means (originally sponsored by Senators Hill and Hargrove)

Making 2014 supplemental operating appropriations.

The bill was read the second time.

With the consent of the house, amendments (857), (851), (871), (845), (846), (826), (862), (868) to the striking amendment were withdrawn.

Representative Hunter moved the adoption of amendment (812).

(Format Changed to Accommodate Text)

Strike everything after the enacting clause and insert the following:

"**PART I**

GENERAL GOVERNMENT

Sec. 101. 2013 2nd sp.s. c 4 s 101 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

General Fund--State Appropriation (FY 2014) ..... ((~~$30,789,000~~)) $30,923,000

General Fund--State Appropriation (FY 2015) ..... ((~~$31,075,000~~)) $31,207,000

Motor Vehicle Account--State Appropriation $1,765,000

TOTAL APPROPRIATION ..... ((~~$63,629,000~~)) $63,895,000

Sec. 102. 2013 2nd sp.s. c 4 s 102 (uncodified) is amended to read as follows:

FOR THE SENATE

General Fund--State Appropriation (FY 2014) ..... ((~~$21,150,000~~)) $21,240,000

General Fund--State Appropriation (FY 2015) ..... ((~~$23,405,000~~)) $23,495,000

Motor Vehicle Account--State Appropriation $1,514,000

TOTAL APPROPRIATION ..... ((~~$46,069,000~~)) $46,249,000

Sec. 103. 2013 2nd sp.s. c 4 s 103 (uncodified) is amended to read as follows:

FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

General Fund--State Appropriation (FY 2014) $62,000

General Fund--State Appropriation (FY 2015) ..... ((~~$111,000~~)) $113,000

Performance Audits of Government Account--State Appropriation $5,641,000

Medical Aid Account--State Appropriation $332,000

Accident Account--State Appropriation $332,000

TOTAL APPROPRIATION ..... ((~~$6,478,000~~)) $6,480,000

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

(1) Notwithstanding the provisions of this section, the joint legislative audit and review committee may adjust the due dates for projects included on the committee's 2013-15 work plan as necessary to efficiently manage workload.

(2) $332,000 of the medical aid account--state appropriation and $332,000 of the accident account--state appropriation are provided for the purposes of chapter 37, Laws of 2011 (workers' compensation).

(3) $323,000 of the performance audits of government account--state appropriation is provided for consultant and staff costs related to the economic analysis of tax preferences as directed by chapter 43.136 RCW.

(4) The joint legislative audit and review committee shall conduct an audit of Washington's state research universities. The purpose of the audit is to identify cost and profit centers within, and in partnership with, the research universities. The audit must focus on public funds; student fees, in particular tuition; and auxiliary enterprises, which for the purposes of the audit at the University of Washington includes University of Washington medical center, the internal lending program, the W fund, and the center for commercialization. The audit at each university much achieve the following:

(a) Assess the university's policies and practices for tracking per-student expenditures for instruction and identify the average amount per student that the university has spent on instruction for undergraduate students in each of the past five fiscal years;

(b) Obtain the university's definition of auxiliary enterprises and determine the number of auxiliary enterprises, including the University of Washington medical center, the University of Washington internal lending program, the W fund, and the center for commercialization, that exist in the university system, the methods the university uses to track revenue and expenditures of auxiliary enterprises, and the policies and practices the university has in place to ensure that state funding is not used to supplement or guarantee projects or programs authorized by auxiliary enterprises;

(c) Identify how much money is being spent on undergraduate education and to what extent undergraduate education is subsidizing graduate education; and

(d) Determine how tuition funds are being used and to what extent they are being used to fund the University of Washington medical center, the University of Washington internal lending program, the W fund, and the center for commercialization and to back bonds authorized by the university.

(5) The committee shall conduct a study of the current methods of collecting legal financial obligations and compare those methods with other debt collection methods, including contracting for debt collection of legal financial obligations. The study shall include analysis of the costs and revenues of current methods and compare those to alternatives, and include analysis of the impact of current methods and alternatives to revenues received by the state. Included shall be an examination of costs and revenue generation before and after the implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362, Laws of 2005 (SSB 5256) and analysis of whether these changes met the legislative goals of reducing costs and increasing collections. A report on the results of the analysis shall be presented to the appropriate committees of the legislature by December 2014.

(6) The committee shall conduct a study of economic development programs and projects supported by the state general fund in the department of commerce. The study shall first review the extent to which these programs: (a) Included specific economic development targets; (b) monitored economic development targets; (c) required for programs which provided support or services through contracts, whether the contracts were structured such that if economic development targets were not met, contracts were reviewed or revised; and (d) changed the economic development targets of associate development organizations relative to funding increases since 2007. The study will include the feasibility of determining how to isolate other factors, such as general economic trends, from the impacts of economic development programs. The costs and options for conducting future analysis of the outcomes specific to economic development programs shall be included and a briefing report shall be provided to the appropriate committees of the legislature by December 1, 2013. A complete report with study data and conclusions shall be provided to the appropriate committees of the legislature by December 1, 2014.

(7) The committee shall analyze the incidence and level of taxation and business incentives available to the financial services industry in Washington State, and identify the relative differences in taxes and business incentives compared to California. A report shall be provided to the appropriate committees of the legislature by December 1, 2014.

(8) The committee shall conduct an analysis of how school districts use school days. The analysis must include:

(a) How school districts define classroom time, nonclassroom time, instructional time, noninstructional time, and any other definitions of how the school day is divided or used;

(b) Estimates of time in each category;

(c) How noninstructional time is distributed over the annual number of school days;

(d) When noninstructional hours occur;

(e) How noninstructional hours are used, including how much noninstructional time is devoted to professional development for the purposes of teacher and principal evaluation training or common core state standards training; and

(f) The extent to which the use of each category of time is identified or defined in collective bargaining agreements.

To the extent data is not available at the statewide level, the committee may use case studies or other methods to conduct the analysis. The committee shall submit a report of its findings to the education committees of the legislature by December 1, 2014.

(9) The committee shall review funding enhancement formulas that provide minimum staffing unit funding to small school districts and districts with school plants that have been judged by the state board of education to be remote and necessary. The committee will make an assessment of the current formulas and report any recommended adjustments to the legislative fiscal committees of the senate and the house of representatives by November 1, 2014. In assessing the current formulas, the committee may consider: Enhancements being made to basic education funding in the 2013-2015 omnibus appropriations act and committed to under Engrossed Substitute House Bill No. 2261 (chapter 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236, Laws of 2010); developments in technology or educational service delivery since the formulas were established; practices in other states; districts' ability to provide students with access to a program of education; and inter-district equity.

((~~(12)~~)) (10) In carrying out the report required by RCW 44.28.157, the committee shall include by December 2014, an analysis of the impacts of using the Washington health benefit exchange established in chapter 43.71 RCW as a mechanism for providing health insurance for part-time certificated and classified K-12 public school employees. The analysis shall be conducted in coordination with the health care authority and shall include a review of how the exchange, federal health premium tax credits and subsidies for out-of-pocket expenses administered through the exchange, and Medicaid expansion have impacted, or could impact, health care costs for individuals, school districts, and the state. The analysis shall also include a review of the cost of stand-alone dental plans.

(11) Within the appropriations in this section, the joint legislative audit and review committee shall review the tax exemption provided under Engrossed House Bill No. 2447 (small business incubators) and its actual fiscal impact on state revenues to determine if the fiscal impact to state revenues reasonably conforms to the fiscal estimate in the fiscal note for this legislation.

Sec. 104. 2013 2nd sp.s. c 4 s 104 (uncodified) is amended to read as follows:

FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

General Fund--State Appropriation (FY 2014) $1,653,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,811,000~~)) $1,812,000

TOTAL APPROPRIATION ..... ((~~$3,464,000~~)) $3,465,000

Sec. 105. 2013 2nd sp.s. c 4 s 105 (uncodified) is amended to read as follows:

FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE

General Fund--State Appropriation (FY 2014) ..... ((~~$8,004,000~~)) $8,126,000

General Fund--State Appropriation (FY 2015) ..... ((~~$7,973,000~~)) $8,095,000

TOTAL APPROPRIATION ..... ((~~$15,977,000~~)) $16,221,000

Sec. 106. 2013 2nd sp.s. c 4 s 106 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE STATE ACTUARY

Department of Retirement Systems Expense Account--State Appropriation ..... ((~~$3,529,000~~))

$3,543,000

Sec. 107. 2013 2nd sp.s. c 4 s 107 (uncodified) is amended to read as follows:

FOR THE STATUTE LAW COMMITTEE

General Fund--State Appropriation (FY 2014) ..... (($3,895,000))
$3,903,000

General Fund--State Appropriation (FY 2015) ..... (($4,102,000))
$4,110,000

TOTAL APPROPRIATION ..... (($7,997,000))
$8,013,000

Sec. 108. 2013 2nd sp.s. c 4 s 108 (uncodified) is amended to read as follows:

FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES

General Fund--State Appropriation (FY 2014) ..... (($3,686,000))
$3,708,000

General Fund--State Appropriation (FY 2015) ..... (($3,684,000))
$3,708,000

TOTAL APPROPRIATION ..... (($7,370,000))
$7,416,000

Sec. 109. 2013 2nd sp.s. c 4 s 110 (uncodified) is amended to read as follows:

FOR THE SUPREME COURT

General Fund--State Appropriation (FY 2014) ..... (($6,911,000))
$7,048,000

General Fund--State Appropriation (FY 2015) ..... (($6,836,000))
$6,970,000

TOTAL APPROPRIATION ..... (($13,747,000))
$14,018,000

Sec. 110. 2013 2nd sp.s. c 4 s 111 (uncodified) is amended to read as follows:

FOR THE LAW LIBRARY

General Fund--State Appropriation (FY 2014) ..... (($1,481,000))
$1,484,000

General Fund--State Appropriation (FY 2015) ..... (($1,468,000))
$1,474,000

TOTAL APPROPRIATION ..... (($2,949,000))
$2,958,000

Sec. 111. 2013 2nd sp.s. c 4 s 112 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON JUDICIAL CONDUCT

General Fund--State Appropriation (FY 2014) ..... (($1,068,000))
$1,071,000

General Fund--State Appropriation (FY 2015) ..... (($994,000))
$1,006,000

TOTAL APPROPRIATION ..... (($2,062,000))
$2,077,000

Sec. 112. 2013 2nd sp.s. c 4 s 113 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

General Fund--State Appropriation (FY 2014) ..... (($15,691,000))
$15,865,000

General Fund--State Appropriation (FY 2015) ..... (($15,685,000))
$15,980,000

TOTAL APPROPRIATION ..... (($31,376,000))
$31,845,000

Sec. 113. 2013 2nd sp.s. c 4 s 114 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund--State Appropriation (FY 2014) ..... (($51,085,000))
$51,542,000

General Fund--State Appropriation (FY 2015) ..... (($50,771,000))
$51,747,000

General Fund--Federal Appropriation $2,125,000

General Fund--Private/Local Appropriation $658,000

Judicial Information Systems Account--State
Appropriation ..... (($46,611,000))
$53,634,000

Judicial Stabilization Trust Account--State
Appropriation $6,691,000

TOTAL APPROPRIATION ..... (($157,941,000))
$166,397,000

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

(1) $1,500,000 of the judicial information systems account--state appropriation is provided solely for development and implementation of the information network hub project.

(2) $2,138,000 of the judicial information systems account--state appropriation is provided solely for replacement of computer equipment, including servers, routers, and storage system upgrades.

((~~(4)~~)) (3) The distributions made under this subsection and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

((~~(5)~~)) (4) $1,199,000 of the judicial information systems account--state appropriation is provided solely for replacing computer equipment at state courts and state judicial agencies.

((~~(6)~~)) (5) ((~~$108,000 of the general fund--state appropriation for fiscal year 2014 and~~)) $108,000 of the general fund--state appropriation for fiscal year 2015 ((~~are~~)) is provided solely for the implementation of chapter 210, Laws of 2013 (Senate Bill No. 5052) (superior court judges Whatcom county). The funds provided in this subsection shall be expended only if the fourth superior court judge position in Whatcom county is appointed and serving on the bench.

((~~(7)~~)) (6) ((~~$108,000 of the general fund--state appropriation for fiscal year 2014 and~~)) $108,000 of the general fund--state appropriation for fiscal year 2015 ((~~are~~)) is provided solely for the implementation of chapter 142, Laws of 2013 (House Bill No. 1175) (superior court judges Benton/Franklin counties). The funds provided in this subsection shall be expended only if the seventh superior court judge position in Benton and Franklin counties jointly is appointed and serving on the bench.

((~~(8) $11,300,000 of the judicial information systems account--state appropriation is provided solely for continued implementation of the superior court case management system project. The administrative office of the courts, in consultation with the judicial information systems committee, the superior court case management system project steering committee, and the office of the chief information officer shall develop a revised charter to implement the next phases of the superior court case management system. The revised charter shall insure that the superior court case management system project steering committee continues to provide contract oversight, in collaboration with the judicial information system committee, through the implementation period and various phases of the project. Oversight responsibilities throughout the various phases of the project must include, but are not limited to, vendor management, contract and deliverable management, and assuring satisfaction of the business and technical needs at the local level. The superior court case management system project steering committee may solicit input from user groups as deemed appropriate. The revised charter shall be approved by the judicial information systems committee~~)) (7) $16,606,000 of the judicial information systems account--state appropriation is provided solely for continued implementation of the superior court case management system project. The administrative office of the courts, in consultation with the judicial information systems committee and the office of the chief information officer shall develop a revised superior court case management steering committee charter to implement the next phases of the superior court case management system. The steering committee members shall be appointed by the judicial information systems committee and shall consist of two members representing each of the following groups: Court administrators, superior court judges, county clerks, and the administrative office of the courts. The revised charter shall insure that voting members of the steering committee represent the administrative office of the courts and those courts that have implemented, or have committed to implement, the statewide superior court vendor solution as selected by the judicial information systems committee. The revised charter shall also insure that the superior court case management system project steering committee continues to provide contract oversight in collaboration with the judicial information system committee through the implementation period. Oversight responsibilities of the steering committee throughout the various phases of the project must include, but are not limited to, vendor management, contract and deliverable management, assuring reasonable satisfaction of the business and technical needs at the local level, receipt of stakeholder feedback, and communication between the various stakeholder groups and the judicial information systems committee. Issues of significant scope, schedule or budget changes, and risk mitigation strategies must be escalated to the judicial information systems committee for consideration. In the event that a majority of the steering committee members cannot reach a decision, the issue must be escalated to the judicial information systems committee for consideration. The superior court case management system project steering committee may solicit input from user groups as deemed appropriate. The revised charter shall be approved by the judicial information systems committee.

((~~(9)~~)) (8) $1,399,000 of the general fund--state appropriation for fiscal year 2014 and $1,399,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

((~~(10)~~)) (9)(a) $7,313,000 of the general fund--state appropriation for fiscal year 2014 and $7,313,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(b) Each fiscal year during the 2013-2015 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives and senate fiscal committees no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

((~~(11)~~)) (10) $274,000 of the general fund--state appropriation for fiscal year 2014 and $274,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the office of public guardianship to continue guardianship services for those low-income incapacitated persons who were receiving services on June 30, 2013.

((~~(12) $333,000~~)) (11) $1,426,000 of the judicial information systems account--state appropriation is provided solely for the content management system for the appellate courts.

(12) The administrative office of the courts and the judicial information systems committee shall develop statewide superior court data collection and exchange standards. Upon implementation, these standards must be met by each superior court in order to continue to receive judicial

information systems account funding or equipment and services funded by the account. For those courts that do not use the statewide superior court vendor solution as chosen by the judicial information systems committee, judicial information systems account funds may not be allocated for (a) the costs to meet the data collection and exchange standards developed by administrative office of the courts and judicial information systems committee, and (b) the costs to develop and implement local court case management systems.

Sec. 114. 2013 2nd sp.s. c 4 s 115 (uncodified) is amended to read as follows:

FOR THE OFFICE OF PUBLIC DEFENSE

General Fund--State Appropriation (FY 2014) ..... ((~~$30,410,000~~)) $30,662,000

General Fund--State Appropriation (FY 2015) ..... ((~~$33,719,000~~)) $33,722,000

Judicial Stabilization Trust Account--State Appropriation $3,648,000

General Fund--Federal Appropriation ..... ((~~$152,000~~)) $304,000

TOTAL APPROPRIATION ..... ((~~$67,929,000~~)) $68,336,000

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

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

(2) $3,378,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to expand the parents representation program into Asotin, Columbia, Garfield, King, Whatcom, and Whitman counties.

Sec. 115. 2013 2nd sp.s. c 4 s 116 (uncodified) is amended to read as follows:

FOR THE OFFICE OF CIVIL LEGAL AID

General Fund--State Appropriation (FY 2014) $10,862,000

General Fund--State Appropriation (FY 2015) ..... ((~~$10,870,000~~)) $11,149,000

Judicial Stabilization Trust Account--State Appropriation $1,454,000

TOTAL APPROPRIATION ..... ((~~$23,186,000~~)) $23,465,000

The appropriations in this section are subject to the following conditions and limitations: An amount not to exceed $40,000 of the general fund--state appropriation for fiscal year 2014 and an amount not to exceed $40,000 of the general fund--state appropriation for fiscal year 2015 may be used to provide telephonic legal advice and assistance to otherwise eligible persons who are sixty years of age or older on matters authorized by RCW 2.53.030(2) (a) through (k) regardless of household income or asset level.

Sec. 116. 2013 2nd sp.s. c 4 s 117 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE GOVERNOR

General Fund--State Appropriation (FY 2014) ..... ((~~$5,509,000~~)) $5,565,000

General Fund--State Appropriation (FY 2015) ..... ((~~$5,217,000~~)) $5,277,000

Economic Development Strategic Reserve Account--State Appropriation $4,000,000

TOTAL APPROPRIATION ..... ((~~$14,726,000~~)) $14,842,000

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

(1) $4,000,000 of the economic development strategic reserve account appropriation is provided solely for efforts to assist with currently active industrial recruitment efforts that will bring new jobs to the state or will retain headquarter locations of major companies currently housed in the state.

(2) $684,000 of the general fund--state appropriation for fiscal year 2014 and $684,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the office of the education ombudsman.

(3) $258,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(4) $35,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the implementation of Second Substitute House Bill No. 1709 (foreign language interpreters). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(5) $50,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of the education ombuds to provide special education ombuds services. Beginning in fiscal year 2015, the superintendent of public instruction must enter into an interagency agreement with the office of the education ombuds to provide support for additional special education ombuds services.

Sec. 117. 2013 2nd sp.s. c 4 s 118 (uncodified) is amended to read as follows:

FOR THE LIEUTENANT GOVERNOR

General Fund--State Appropriation (FY 2014) $654,000

General Fund--State Appropriation (FY 2015) ..... ((~~$658,000~~)) $665,000

General Fund--Private/Local Appropriation $90,000

TOTAL APPROPRIATION ..... ((~~$1,402,000~~)) $1,409,000

Sec. 118. 2013 2nd sp.s. c 4 s 119 (uncodified) is amended to read as follows:

FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund--State Appropriation (FY 2014) ..... ((~~$2,082,000~~)) $2,087,000

General Fund--State Appropriation (FY 2015) ..... ((~~$2,015,000~~)) $2,189,000

TOTAL APPROPRIATION ..... ((~~$4,097,000~~)) $4,276,000

The appropriations in this section are subject to the following conditions and limitations: $100,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the implementation of Engrossed Third Substitute House Bill No. 1005 (campaign report filing). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 119. 2013 2nd sp.s. c 4 s 120 (uncodified) is amended to read as follows:

FOR THE SECRETARY OF STATE

General Fund--State Appropriation (FY 2014) ..... ((~~$11,356,000~~)) $11,827,000

General Fund--State Appropriation (FY 2015) ..... ((~~$9,535,000~~)) $9,628,000

General Fund--Federal Appropriation ..... ((~~$7,419,000~~)) $7,450,000

General Fund--Private/Local Appropriation $20,000

Public Records Efficiency, Preservation, and Access Account--State Appropriation ..... ((~~$7,361,000~~)) $7,538,000

Charitable Organization Education Account--State Appropriation $364,000

Local Government Archives Account--State Appropriation ..... ((~~$8,467,000~~)) $8,510,000

Election Account--Federal Appropriation $12,016,000

Washington State Heritage Center Account--State Appropriation $8,860,000

TOTAL APPROPRIATION ..... ((~~$65,378,000~~)) $66,213,000

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

(1) ((~~$3,301,000~~)) $3,767,000 of the general fund--state appropriation for fiscal year 2014 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2)(a) $1,847,000 of the general fund--state appropriation for fiscal year 2014 and $1,926,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2013-2015 fiscal biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

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

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

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

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

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

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

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

(4) It is the intent of the legislature to consider during the 2014 legislative session funding for the publication and distribution of a primary election voters pamphlet.

(5) $771,000 of the general fund--state appropriation for fiscal year 2014 and $772,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the state library to purchase statewide on-line access to the information technology academy to allow public access to on-line courses and learning resources through public libraries.

(6) $44,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of Substitute House Bill No. 2552 (signature gathering). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(7) The legislature finds that the volume of state records retained in paper format continues to grow, increasing the records storage costs for the state. The secretary of state shall convene a work group to study methods for retaining records in electronic formats and for shorter periods of time, with the goal of reducing the volume of stored paper records by ten percent by the end of 2016, and an additional ten percent by the end of 2018. The following state agencies shall participate in the work group, which shall report back to the appropriate committees of the legislature by December 31, 2014, and December 31, 2015:

(a) Office of the secretary of state;

(b) Office of the attorney general;

(c) Office of the state auditor;

(d) Office of financial management;

(e) Department of corrections;

(f) Department of social and health services;

(g) Department of health; and

(h) Department of transportation.

Sec. 120. 2013 2nd sp.s. c 4 s 121 (uncodified) is amended to read as follows:

FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS

General Fund--State Appropriation (FY 2014) ..... ((~~$253,000~~)) $249,000

General Fund--State Appropriation (FY 2015) ..... ((~~$248,000~~)) $255,000

TOTAL APPROPRIATION ..... ((~~$501,000~~)) $504,000

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

Sec. 121. 2013 2nd sp.s. c 4 s 122 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS

General Fund--State Appropriation (FY 2014) ..... ((~~$213,000~~)) $210,000

General Fund--State Appropriation (FY 2015) ..... ((~~$207,000~~)) $213,000

TOTAL APPROPRIATION ..... ((~~$420,000~~)) $423,000

Sec. 122. 2013 2nd sp.s. c 4 s 123 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER

State Treasurer's Service Account--State Appropriation ..... ((~~$14,924,000~~)) $14,945,000

The appropriation in this section is subject to the following conditions and limitations: $150,000 of the state treasurer's service account--state appropriation is provided solely for legal fees related to additional legal assistance due to changes in federal financial regulations and an increase in complex and high profile litigation.

Sec. 123. 2013 2nd sp.s. c 4 s 124 (uncodified) is amended to read as follows:

FOR THE STATE AUDITOR

General Fund--State Appropriation (FY 2014) ..... ((~~$728,000~~)) $755,000

General Fund--State Appropriation (FY 2015) ..... ((~~$733,000~~)) $763,000

State Auditing Services Revolving Account--State Appropriation ..... ((~~$9,573,000~~)) $9,580,000

((~~Performance Audits of Government Account--State Appropriation ..... $56,000~~))

TOTAL APPROPRIATION ..... ((~~$11,090,000~~)) $11,098,000

The appropriations in this section are subject to the following conditions and limitations: (((~~(1) $728,000~~)) $755,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$733,000~~)) $763,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

Sec. 124. 2013 2nd sp.s. c 4 s 125 (uncodified) is amended to read as follows:

FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

General Fund--State Appropriation (FY 2014) ..... ((~~$141,000~~)) $138,000

General Fund--State Appropriation (FY 2015) ..... ((~~$171,000~~)) $175,000

TOTAL APPROPRIATION ..... ((~~$312,000~~)) $313,000

Sec. 125. 2013 2nd sp.s. c 4 s 126 (uncodified) is amended to read as follows:

FOR THE ATTORNEY GENERAL

General Fund--State Appropriation (FY 2014) ..... ((~~$10,456,000~~)) $11,019,000

General Fund--State Appropriation (FY 2015) ..... ((~~$10,132,000~~)) $10,764,000

General Fund--Federal Appropriation $7,114,000

New Motor Vehicle Arbitration Account--State Appropriation $997,000

Legal Services Revolving Account--State Appropriation ..... ((~~$191,286,000~~)) $199,707,000

Tobacco Prevention and Control Account--State Appropriation $271,000

Medicaid Fraud Penalty Account--State Appropriation $2,279,000

Public Services Revolving Account--State Appropriation $2,093,000

TOTAL APPROPRIATION ..... ((~~$224,628,000~~)) $234,244,000

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

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

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

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

(4) The executive ethics board shall: (a) Develop a statewide plan, with performance measures, to provide overall direction and accountability in all executive branch agencies and statewide elected offices; (b) coordinate and work with the commission on judicial conduct and the legislative ethics board; (c) assess and evaluate each agency's ethical culture through employee and stakeholder surveys, review Washington state quality award feedback reports, and publish an annual report on the results to the public; and (d) solicit outside evaluations, studies, and recommendations for improvements from academics, nonprofit organizations, the public disclosure commission, or other entities with expertise in ethics, integrity, and the public sector.

(5) $424,000 of the legal services revolving account--state appropriation is provided solely for replacement of a portion of the agency's personal computers. The amount provided in this subsection is conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer and section 945 of this act, personal computer acquisition and replacement.

(6) $609,000 of the legal services revolving account--state appropriation is provided solely for upgrades to software programs. The amount provided in this subsection is conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(7) $150,000 of the legal services revolving account--state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5405 (extended foster care). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(8) $50,000 of the general fund--state appropriation for fiscal year 2014 and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(9) $189,000 of the legal services revolving account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1420 (transportation improvement projects). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(10) $2,093,000 of the public service revolving account--state appropriation is provided solely for the work of the public counsel section of the office of the attorney general.

(11) $353,000 of the general fund--state appropriation for fiscal year 2014 and $353,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant to the Washington coalition of crime victim advocates to provide training, certification, and technical assistance for crime victim service center advocates.

(12) $69,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of Substitute House Bill No. 2171 (veterans, military personnel). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(13) $141,000 of the legal services revolving account--state appropriation is provided solely for implementation of Substitute House Bill No. 2331 (public works payroll records). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(14) $120,000 of the legal services revolving account--state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2149 (medical marijuana). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(15) $259,000 of the legal services revolving account--state appropriation is provided solely for implementation of Substitute House Bill No. 2146 (labor and industries appeal bonds). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 126. 2013 2nd sp.s. c 4 s 127 (uncodified) is amended to read as follows:

FOR THE CASELOAD FORECAST COUNCIL

General Fund--State Appropriation (FY 2014) ..... ((~~$1,260,000~~)) $1,211,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,230,000~~)) $1,216,000

TOTAL APPROPRIATION ..... ((~~$2,490,000~~)) $2,427,000

Sec. 127. 2013 2nd sp.s. c 4 s 128 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

General Fund--State Appropriation (FY 2014) ..... ((~~$63,076,000~~)) $61,549,000

General Fund--State Appropriation (FY 2015) ..... ((~~$60,151,000~~)) $63,485,000

General Fund--Federal Appropriation ..... ((~~$265,004,000~~)) $266,894,000

General Fund--Private/Local Appropriation ..... ((~~$5,638,000~~)) $5,620,000

Public Works Assistance Account--State Appropriation ..... ((~~$3,036,000~~)) $3,136,000

Drinking Water Assistance Administrative Account--State Appropriation ..... ((~~$445,000~~)) $443,000

Lead Paint Account--State Appropriation $147,000

Building Code Council Account--State Appropriation $13,000

Home Security Fund Account--State Appropriation ..... ((~~$25,452,000~~)) $25,468,000

Affordable Housing for All Account--State Appropriation ..... ((~~$11,915,000~~)) $11,910,000

Financial Fraud and Identity Theft Crimes Investigation and Prosecution Account--State Appropriation ..... ((~~$969,000~~)) $1,166,000

Low-Income Weatherization Assistance Account--State Appropriation ..... ((~~$1,882,000~~)) $1,879,000

Community and Economic Development Fee Account--State Appropriation ..... ((~~$5,303,000~~)) $5,300,000

Washington Housing Trust Account--State Appropriation ..... ((~~$19,592,000~~)) $18,633,000

Prostitution Prevention and Intervention Account--State Appropriation $98,000

Public Facility Construction Loan Revolving Account--State Appropriation ..... ((~~$758,000~~)) $773,000

Washington Community Technology Opportunity Account--Private/Local Appropriation $10,000

Liquor Revolving Account--State Appropriation $5,605,000

TOTAL APPROPRIATION ..... ((~~$469,094,000~~)) $472,129,000

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

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

(2) $500,000 of the general fund--state appropriation for fiscal year 2014 and $500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant to resolution Washington to building statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that citizens have access to low-cost resolution as an alternative to litigation.

(3) $306,000 of the general fund--state appropriation for fiscal year 2014 and $306,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant to the retired senior volunteer program.

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

(5) $375,000 of the general fund--state appropriation for fiscal year 2014 and $375,000 of the general fund--state appropriation for fiscal year 2015 are provided solely as pass-through funding to Walla Walla Community College for its water and environmental center.

(6) $1,800,000 of the home security fund--state appropriation is provided for transitional housing assistance or partial payments for rental assistance under the independent youth housing program.

(7) $5,000,000 of the home security fund--state appropriation is for the operation, repair, and staffing of shelters in the homeless family shelter program.

(8) $198,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$198,000~~)) $398,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington new Americans program.

(9) $2,949,000 of the general fund--state appropriation for fiscal year 2014 and $2,949,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for associate development organizations. During the 2013-2015 fiscal biennium, the department shall consider an associate development organization's total resources when making contracting and fund allocation decisions, in addition to the schedule provided in RCW 43.330.086.

(10) $234,000 of the general fund--state appropriation for fiscal year 2014 and $233,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington asset building coalitions.

(11) $5,605,000 of the liquor revolving account--state appropriation is provided solely for the department to contract with the municipal research and services center of Washington.

(12) $500,000 of the general fund--state appropriation for fiscal year 2014 and $500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the purposes of purchasing contracted services to expand and promote the tourism industry in the state of Washington.

(a) The department must contract with the Washington tourism alliance. Expenditure of state moneys is contingent upon the contractor providing a dollar for dollar cash or in-kind match. Funding must be provided for the following services:

(i) Serving as a central point of contact through developing and maintaining a web portal for Washington tourism, operating a call center, and mailing travel guides;

(ii) Promoting Washington as a tourism destination to national and international markets, with emphasis on markets in Europe and Asia;

(iii) Providing information to businesses and local communities on tourism opportunities that could expand local revenues; and

(iv) Conducting tourism-related research, including market research and measuring the return on investment of funded activities.

(b) The department may not use more than 4 percent of the funds to administer, monitor, and report the outcomes of the services. The department must electronically submit performance metrics by January 1, 2014, and report the outcomes of the services by January 1, 2015, to the economic development committees of the legislature.

(c) The department has the authority to designate one or more alternative contractors if necessary due to performance or other significant issues. Such change must only be made after consultation with the Washington tourism alliance, the governor's office, and the chairs and ranking members of the economic development committees of the legislature.

(13) $72,000 of the prostitution prevention and intervention account is provided solely for implementation of Engrossed Substitute House Bill No. 1291 (sex trade victims). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(14) $49,000 of the general fund--state appropriation for fiscal year 2014 and $49,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of House Bill No. 1818 (business and government streamlining). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(15) $36,000 of the general fund--state appropriation for fiscal year 2014 and $37,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to develop an economic cluster strategy to leverage the state's unique maritime assets, geography, history, and infrastructure. Goals include growing employment, targeted economic activity, environmental considerations, tax revenue to state and local governments, and quality of life associated with the maritime sector by working with the industry to understand workforce needs, parity considerations with Oregon and British Columbia, and tax structure and regulatory barriers. The department will report its findings to the appropriate committees of the legislature no later than December 1, 2014.

(16) $2,000,000 of the Washington housing trust account--state appropriation is provided solely for the department of commerce for services to homeless families through the Washington families fund.

(17) $5,000,000 of the home security account--state appropriation is provided solely for the department of commerce to provide emergency assistance to homeless families in the temporary assistance for needy families program.

(18) $75,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the economic development commission to retain one current administrative position. The department shall convene a work group, chaired by the current chair of the economic development commission, of representatives of associate development organizations and the economic development commission to recommend: (1) Changes to the economic development commission's purpose and source and amount of funding; (2) objective benchmarks and outcome-based performance measures for evaluating state investments in economic development; (3) high priority regulatory reforms to foster a favorable business climate for long-term private sector job creation and competitiveness; and (4) organizational roles responsibilities and structures to strengthen cohesive planning, streamline execution, and improve outcomes. The work group shall be comprised of representatives from no less

than eight associate development organizations representing both urban and rural counties and counties on both sides of the Cascade range. The department shall submit a report of the work group's recommendation to the fiscal and economic development policy committees of the legislature by December 15, 2013.

(19) (($~~$4,000,000~~)) $2,515,000 of the general fund--state appropriation for fiscal year 2014 and (($~~$850,000~~)) $3,779,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for purposes of creating and operating a community health care and education and innovation center at the Pacific Medical Center in Seattle. Amounts provided in this subsection must be used for lease, maintenance, operations, and other required related expenses for Seattle community colleges allied health programs and other related uses identified by the department of commerce. The department is authorized to enter into a thirty-year lease for the Pacific Medical Center property.

(20) Within the appropriations in this section, the department shall, by December 1, 2013, develop a comprehensive start-up Washington strategy to facilitate the growth of start-ups and enhance the state's competitiveness in recruiting and retaining businesses that start up in Washington. This shall include but is not limited to: Business and occupation tax relief, capital investment, regulatory burdens, workforce and infrastructure needs and support. Start-up businesses interactions with state government and other public entities as a customer shall also be considered.

(21) $700,000 of the general fund--state appropriation for fiscal year 2014 and $700,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to identify and invest in strategic growth areas, support key sectors, and align existing economic development programs and priorities. The department must consider Washington's position as the most trade dependent state when identifying priority investments. The department must engage states and provinces in the northwest as well as associate development organizations, small business development centers, chambers of commerce, ports, and other partners to leverage the funds provided. For each dollar expended the department must receive a one hundred percent match. The match may be provided by the department through nongeneral fund sources, or any partnering governments or organizations. The department must develop performance metrics and milestones. The department must electronically submit the performance metrics and performance-to-date by January 1, 2014, to the economic development committees of the legislature.

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

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

(24) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the economic impact and infrastructure cost study for Covington town center.

(25) The department is directed to work with innovation partnership zone administrators to review the existing grant program, including the criteria for designation as an innovation partnership zone and the grant funding criteria. The department shall submit its report to the legislature by December 1, 2013.

(26) $250,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the implementation of Second Substitute House Bill No. 1072 (agricultural labor skills and safety). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(27) $26,000 of the home security fund account--state appropriation is provided solely for the implementation of Substitute House Bill No. 2415 (homeless status certify). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(28) $67,000 of the general fund--federal appropriation, $111,000 of the public works assistance account--state appropriation, $129,000 of the Washington housing trust account--state appropriation, and $18,000 of the public facility construction loan revolving account-- state appropriation are provided solely for the implementation of Substitute House Bill No. 2331 (public works payroll records). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(29) $466,000 of the Washington housing trust account--state appropriation is provided solely for the department to provide one-time funding to the Tacoma housing authority to offset expenses associated with remediating units of low-income housing that have been contaminated by the manufacture or use of methamphetamine. The Tacoma housing authority must be required to provide sufficient documentation to verify the costs associated with remediating units of low-income housing that have been contaminated by the manufacture or use of methamphetamine for which they request support. The department may make full or partial payment once sufficient documentation has been provided.

Sec. 128. 2013 2nd sp.s. c 4 s 129 (uncodified) is amended to read as follows:

FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL

General Fund--State Appropriation (FY 2014) ..... (($~~$764,000~~)) $758,000

General Fund--State Appropriation (FY 2015) ..... (($~~$802,000~~)) $818,000

Lottery Administrative Account--State Appropriation $50,000

TOTAL APPROPRIATION ..... (($~~$1,616,000~~)) $1,626,000

Sec. 129. 2013 2nd sp.s. c 4 s 130 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund--State Appropriation (FY 2014) ..... (($~~$18,414,000~~)) $17,949,000

General Fund--State Appropriation (FY 2015) ..... (($~~$17,542,000~~)) $17,954,000

General Fund--Federal Appropriation ..... (($~~$31,340,000~~)) $34,340,000

General Fund--Private/Local Appropriation $370,000

Economic Development Strategic Reserve Account--State Appropriation $289,000

Personnel Service Fund--State Appropriation ..... (($~~$8,656,000~~))

$8,642,000
Data Processing Revolving Account--State
Appropriation ..... ((~~$6,015,000~~))
$6,580,000
Higher Education Personnel Services Account--State
Appropriation $1,497,000
Performance Audits of Government Account--State
Appropriation $4,000,000
TOTAL APPROPRIATION ..... ((~~$88,123,000~~))
$91,621,000

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

(1) The office of financial management shall prepare a report outlining alternative methods of procuring health benefits for home care workers, including individual providers and agency providers. In preparing the report, the office of financial management shall consult with the department of social and health services, representatives of individual home care providers, and agency home care providers.

Along with a summary of the current method of providing benefits, the report must include an analysis of the policy and fiscal implications of accessing health benefits through the Washington health benefits exchange. The report must also provide an analysis of a medicaid section 1115 waiver with the federal centers for medicare and medicaid services that would provide additional medicaid matching funds for individual provider home care workers who are provided with health care benefits through a collective bargaining agreement negotiated with the state under chapter 74.39A RCW, but would otherwise be eligible for medicaid under the federal expanded eligibility provisions that take effect January 1, 2014.

The report must be submitted to the appropriate fiscal committees of the legislature by January 6, 2014.

(2) $350,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(3) $536,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for a study of the state's medical and public assistance eligibility systems and infrastructure with the goal of simplifying procedures, improving customer service, and reducing state expenditures. The study must also examine which state entities play various roles in the eligibility and data verification processes in order to determine if eligibility processes can be further streamlined in light of changes related to the federal affordable care act. The study must identify how costs will be allocated between state and federal funding sources and options for maximizing federal participation. The office of financial management shall provide a report on its findings and recommendations to the relevant policy and fiscal committees of the legislature by January 1, 2014.

(4)(a) The legislature finds that the state's nationally recognized student achievement initiative has led to significant improvements at two-year institutions of higher education. With the goal of creating such efficiencies within the four-year institutions of higher education, the office of financial management shall convene, in coordination with the joint committee on higher education and the student achievement council, a technical incentive funding model task force to propose an incentive funding model for the four-year institutions of higher education. The model will provide new incentive funding to four-year institutions of higher education that demonstrate improvement on existing performance measures and control resident undergraduate tuition growth. Participation in the program is voluntary; however, funding appropriated for this program shall only be available to those institutions that have chosen to participate in the program.

(b) The task force must include the following members:

(i) One representative from the student achievement council;

(ii) One representative from the education data center created in RCW 43.41.400; and

(iii) One representative from each of the four-year institutions of higher education.

(c) The program shall include, but shall not be limited to:

(i) A system for allocating new incentive funding to participating institutions based on an institution's:

(A) Performance in specific metrics;

(B) Control and reduction where possible of resident undergraduate and graduate tuition; and

(C) Efficient utilization of classrooms, laboratories, and online and other high technology instructional methods;

(ii) A methodology for allocating funding for performance as specified in (c)(i)(A) of this subsection that is based on performance metrics reported in the accountability monitoring and reporting system established in RCW 28B.77.090 and that recognizes each institution's unique mission by measuring each institution's performance in these metrics against its past performance;

(iii) A methodology for investing any unallocated incentive funds to the state need grant program created in chapter 28B.92 RCW to expand access to low-income and underserved student populations; and

(iv) A methodology for establishing a baseline level of state funding that:

(A) Fully supports the state's need for an increasing portion of its citizens to gain post-secondary education and qualifications;

(B) Recognizes the acute need of the state's high-technology economy for a sufficient number of graduates in high employer demand programs of study;

(C) Achieves a more equitable share of support between the state and students and their families; and

(D) Provides for funding enhancements based on demonstrated improvements in institutional performance within the educational achievement and tuition reduction incentive program.

(d) The workgroup shall submit a final report containing an incentive funding model to the governor and higher education and fiscal committees of the legislature by December 31, 2013.

(5) $121,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the implementation of Substitute House Bill No. 2651 (higher education transparency) and Substitute House Bill No. 2336 (higher education department budgets). If neither of the bills is enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(6) $37,000 of the data processing revolving account--state appropriation is provided solely for the implementation of Engrossed Second

Substitute House Bill No. 2192 (state agency permitting). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(7) $262,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the implementation of Substitute House Bill No. 2739 (student success in schools). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(8) $200,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of financial management to enter into a contract with a data collection expert and a mediator to implement a process to develop solutions for maintaining the greatest level of public access under the public records act, chapter 42.56 RCW, with the least impact to government resources and operations. The process must be completed in two phases in accordance with the following requirements:

(a) In the first phase, the data collection expert, based on guidance and input from a work group of stakeholders, shall conduct a fact-finding effort to: (i) Determine the impact of overly broad and harassing public records requests to state and local governments; and (ii) identify resources and potential models that have been developed by entities in Washington, as well as by other states facing these same issues. The data collection expert must complete this fact-finding and provide a report with this information to the office of financial management and the mediator referenced in this subsection. .....

(b) In the second phase, the mediator shall facilitate discussions between stakeholders. The goal of the discussions shall be to: (i) Reevaluate best management practices for local governments to improve records management and practices; (ii) develop alternative dispute resolution options; and (iii) address the lack of resources available within local governments to respond to public records requests. The mediator must work and consult with willing participants including, but not limited to, the state auditor's office, the state attorney general's office, the secretary of state's office, a statewide organization representing newspapers, a statewide coalition promoting open government laws, a statewide association representing cities, a statewide association representing counties, a statewide association representing school districts, a statewide association representing ports, a statewide association of hospital districts, and a statewide association representing fire districts. The mediator must involve and apprise legislators and legislative staff of these efforts. The mediator must issue a final report of findings and recommendations to the office of financial management, the governor, and the appropriate committees of legislature by June 30, 2015.

(9) $300,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for an analysis of statewide jail needs and how operational costs are incurred among local governments. The analysis must examine, among other things, how regional capacity is currently being utilized at the state and local level and the financial impact to counties of providing felon and juvenile detention. A report of findings must be provided to the governor and legislative fiscal committees by November 1, 2014.

(10) The office of the chief information officer shall survey and review agency security policies and standards including, but not limited to, compliance with employee information technology security training policies and agency standards and policies for decommissioning personal computers. The office must report to the legislature by December 1, 2014 with findings and recommendations from the survey and review.

(11) The office of financial management and the office of the chief information officer shall survey and review agency policies and standards for hardware, software, and information technology equipment recycle or replacement. The review will include information on the frequency of replacement, financing methods, extent that funds used to recycle/refresh equipment are in the base budgets for agencies, and the extent that agencies are meeting their policies and standards. The office of financial management and the office of the chief information officer must report to the legislature with findings and recommendations from the review by December 1, 2014.

(12) The office of financial management shall direct state agencies to include an information technology request summary table with each agency budget submission. The table must provide summary information on each budget request that has an information technology component, and must include: The agency's priority ranking of the request among all the agency's information technology requests; the amount of funding being requested in the budget; the estimated total costs and time to complete the item; and a categorization of the request as high, medium, or low priority.

Sec. 130. 2013 2nd sp.s. c 4 s 131 (uncodified) is amended to read as follows:

FOR THE OFFICE OF ADMINISTRATIVE HEARINGS

Administrative Hearings Revolving Account--State

Appropriation ..... ((~~$37,772,000~~))
$38,212,000

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

(1) $151,000 of the administrative hearings revolving account-- state appropriation is provided solely for replacement of computer equipment, including servers, routers, and storage system upgrades. The amount provided in this subsection is conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(2) $93,000 of the administrative hearings revolving account--state appropriation is provided solely for the implementation of Substitute House Bill No. 2146 (labor and industries appeal bonds). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 131. 2013 2nd sp.s. c 4 s 132 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE LOTTERY

Lottery Administrative Account--State

Appropriation ..... ((~~$25,696,000~~))
$25,782,000

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

(1) $596,000 of the lottery administrative account--state appropriation is provided solely for the replacement of the lottery's gaming systems vendor contract.

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

Sec. 132. 2013 2nd sp.s. c 4 s 133 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON HISPANIC AFFAIRS

General Fund--State Appropriation (FY 2014) ..... ((~~$238,000~~))
$235,000

General Fund--State Appropriation (FY 2015) ..... ((~~$235,000~~))

$243,000
TOTAL APPROPRIATION ..... ((~~$473,000~~))
$478,000

Sec. 133. 2013 2nd sp.s. c 4 s 134 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS

General Fund--State Appropriation (FY 2014) ..... ((~~$233,000~~))
$238,000
General Fund--State Appropriation (FY 2015) ..... ((~~$224,000~~))
$238,000
TOTAL APPROPRIATION ..... ((~~$457,000~~))
$476,000

Sec. 134. 2013 2nd sp.s. c 4 s 135 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS

General Fund--State Appropriation (FY 2015) $594,000
Department of Retirement Systems Expense
Account--State Appropriation ..... ((~~$50,728,000~~))
$50,889,000
TOTAL APPROPRIATION $51,483,000

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

(1) $250,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the department of retirement systems to investigate options for private sector retirement accounts. The department of retirement systems is authorized to explore alternatives for retirement savings accounts for employees of private sector and nonprofit organizations, especially workers in small and medium-sized firms. This may include work to develop a plan or plans for submittal to the United States internal revenue service for approval under the tax code. In developing plans, the department shall minimize financial and other liability to the state, as well as the cost of the plan. The department of retirement systems may: (a) Consult with service organizations that promote retirement savings; and (b) partner with any other state, local, or federal agencies engaged in similar efforts to develop retirement savings programs for employees of private and nonprofit sector organizations. The department shall inform the office of financial management of the results of its work under this section by June 30, 2015. The department shall not implement or accept enrollments in any state-run or sponsored retirement savings plan under this subsection without prior legislative approval.

(2) $344,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of House Bill No. 2474 (save toward retirement plan). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(3) $71,000 of the department of retirement systems expense account--state appropriation is provided solely to implement House Bill No. 2018 (individual employer contribution rates). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 135. 2013 2nd sp.s. c 4 s 136 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF REVENUE

General Fund--State Appropriation (FY 2014) ..... ((~~$107,985,000~~))
$108,332,000
General Fund--State Appropriation (FY 2015) ..... ((~~$106,301,000~~))
$107,152,000
Timber Tax Distribution Account--State
Appropriation ..... ((~~$6,102,000~~))
$6,113,000
Waste Reduction/Recycling/Litter Control--State
Appropriation $132,000
State Toxics Control Account--State Appropriation $93,000
((~~Master License Fund--State Appropriation~~ ..... ~~$17,082,000~~))
Business License Account Appropriation $17,103,000
Data Processing Revolving Account--State Appropriation $6,751,000
TOTAL APPROPRIATION ..... ((~~$244,446,000~~))
$245,676,000

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

(1) The department of revenue is authorized to increase the master application fee to nineteen dollars and the renewal fee to eleven dollars consistent with RCW 19.02.075.

(2) $6,751,000 of the data processing revolving account--state appropriation and $4,853,000 of the master license fund--state appropriation are provided solely for the replacement of the department's legacy business systems. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(3) $495,000 of the general fund--state appropriation for fiscal year 2014 and $431,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of House Bill No. 1971 or Senate Bill No. 5873 (communications services reform). If neither bill is enacted by June 30, 2013, the amounts provided in the subsection shall lapse.

(4) $641,000 of the general fund--state appropriation for fiscal year 2014 and $297,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of Senate Bill No. 5882 or House Bill No. 2081 (tax preferences and transparency). If neither bill is enacted by June 30, 2013, the amounts provided in the subsection shall lapse.

(5) $65,000 of the general fund--state appropriation for fiscal year 2014 and $93,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Second Substitute House Bill No. 1170 (property tax relief programs). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(6) $292,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of Substitute House Bill No. 2201 (state tax preference). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(7) $78,000 of the general fund--state appropriation for fiscal year 2014 and $262,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Second Engrossed Substitute House Bill No. 1467 (unpaid wage collection). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(8) $6,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Engrossed Substitute House Bill No. 2306 (farm and agricultural land/current use). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(9) $8,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Second Engrossed Second Substitute House Bill No. 2493 (land use/horticulture). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(10) $14,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of Engrossed Substitute House Bill No. 1287 (Indian tribes/property tax). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(11) $25,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of Substitute House Bill No. 1634 (property tax levy limit). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(12) The department must consult with counties it determines to be directly affected by the United States open golf championship held in June 2015 in Washington state for the purpose of establishing metrics to estimate the additional state sales tax revenue attributable to that event. The department must report the additional state sales tax revenue attributable to the United States open golf championship to the fiscal committees of the legislature not later than December 1, 2015.

Sec. 136. 2013 2nd sp.s. c 4 s 137 (uncodified) is amended to read as follows:

FOR THE BOARD OF TAX APPEALS

General Fund--State Appropriation (FY 2014) ..... ((~~$1,217,000~~))
$1,203,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,178,000~~))
$1,201,000

TOTAL APPROPRIATION ..... ((~~$2,395,000~~))
$2,404,000

Sec. 137. 2013 2nd sp.s. c 4 s 138 (uncodified) is amended to read as follows:

FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

OMWBE Enterprises Account--State Appropriation ..... ((~~$4,077,000~~))
$3,500,000

The appropriation in this section is subject to the following conditions and limitations: ((~~$200,000 of the minority and women's business enterprises account--state appropriation is provided for implementation of a certification program for small business enterprises.~~)) The agency will collaborate with the department of transportation to certify small businesses as small business enterprises. Funding for this work is provided through interagency agreement with the state department of transportation.

Sec. 138. 2013 2nd sp.s. c 4 s 139 (uncodified) is amended to read as follows:

FOR THE INSURANCE COMMISSIONER

General Fund--State Appropriation (FY 2014) $300,000
General Fund--State Appropriation (FY 2015) $100,000
General Fund--Federal Appropriation $4,495,000
Health Benefit Exchange Account--State Appropriation $676,000
Insurance Commissioners Regulatory Account--State
Appropriation ..... ((~~$49,555,000~~))
$50,183,000

TOTAL APPROPRIATION ..... ((~~$55,126,000~~))
$55,754,000

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

(1) $676,000 of the health benefit exchange account--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1947 (Washington health benefit exchange). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(2) The office of the insurance commissioner shall not curtail functions relating to solvency, rates and forms, and consumer protection.

(3) $498,000 of the insurance commissioners regulatory account-- state appropriation is provided solely for the implementation of Substitute House Bill No. 2461 (insurance company solvency). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 139. 2013 2nd sp.s. c 4 s 140 (uncodified) is amended to read as follows:

FOR THE STATE INVESTMENT BOARD

State Investment Board Expense Account--State
Appropriation ..... ((~~$36,035,000~~))
$36,059,000

Sec. 140. 2013 2nd sp.s. c 4 s 141 (uncodified) is amended to read as follows:

FOR THE LIQUOR CONTROL BOARD

Dedicated Marijuana Fund--State Appropriation $7,726,000

Liquor Revolving Account--State Appropriation ..... ((~~$65,146,000~~)) $55,951,000
General Fund--Federal Appropriation $945,000
General Fund--Private/Local Appropriation $25,000
TOTAL APPROPRIATION ..... ((~~$66,116,000~~)) $64,647,000

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

(1) ((~~$2,494,000 of the liquor revolving account--state appropriation is provided solely for the liquor control board to implement Initiative Measure No. 502.~~

~~(2)~~))(a) The liquor control board must work with the department of health and the department of revenue to develop recommendations for the legislature regarding the interaction of medical marijuana regulations and the provisions of Initiative Measure No. 502. At a minimum, the recommendations must include provisions addressing the following:

(i) Age limits;
(ii) Authorizing requirements for medical marijuana;
(iii) Regulations regarding health care professionals;
(iv) Collective gardens;
(v) Possession amounts;
(vi) Location requirements;
(vii) Requirements for medical marijuana producing, processing, and retail licensing;
(viii) Taxation of medical marijuana in relation to recreational marijuana; and
(ix) The state agency that should be the regulatory body for medical cannabis.

(b) The board must submit its recommendations to the appropriate committees of the legislature by January 1, 2014.

(2) For the purposes of RCW 43.88.110(7), any initial cash deficit in the dedicated marijuana fund must be liquidated over the remainder of the 2013-2015 fiscal biennium.

(3) $376,000 of the dedicated marijuana fund--state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2149 (medical marijuana). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 141. 2013 2nd sp.s. c 4 s 142 (uncodified) is amended to read as follows:

FOR THE UTILITIES AND TRANSPORTATION COMMISSION

General Fund--Federal Appropriation $150,000
General Fund--Private/Local Appropriation ..... ((~~$11,228,000~~)) $11,230,000
Public Service Revolving Account--State Appropriation ..... ((~~$29,893,000~~)) $29,946,000
Pipeline Safety Account--State Appropriation ..... ((~~$4,411,000~~)) $4,414,000
Pipeline Safety Account--Federal Appropriation $1,938,000
TOTAL APPROPRIATION ..... ((~~$47,620,000~~)) $47,678,000

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

(1) The commission shall work with the Idaho public utilities commission and the public utility commission of Oregon to identify common regulatory functions that can be performed jointly, with the goal of formalizing an agreement that protects essential services while increasing regulatory effectiveness and efficiencies through economies of scale. The commission is authorized to enter into an agreement with such other state public utility commissions to work jointly in administering specified respective regulatory functions.

(2) Up to $200,000 of the total appropriation is provided for the commission to continue to evaluate the regulatory processes for energy companies and identify and implement administrative actions to improve those processes. The commission shall develop and adopt a schedule for such administrative actions.

Sec. 142. 2013 2nd sp.s. c 4 s 143 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

General Fund--State Appropriation (FY 2014) ..... ((~~$1,880,000~~)) $1,862,000
General Fund--State Appropriation (FY 2015) ..... ((~~$1,846,000~~)) $1,839,000
General Fund--Federal Appropriation ..... ((~~$140,135,000~~)) $140,213,000
Enhanced 911 Account--State Appropriation ..... ((~~$58,514,000~~)) $58,397,000
Disaster Response Account--State Appropriation ..... ((~~$14,531,000~~)) $20,292,000
Disaster Response Account--Federal Appropriation ..... ((~~$53,253,000~~)) $69,625,000
Military Department Rent and Lease Account--State Appropriation $615,000
Worker and Community Right-to-Know Account--State

Appropriation $2,794,000
TOTAL APPROPRIATION ..... ((~~$273,568,000~~)) $295,637,000

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

(1) ((~~$14,531,000~~)) $20,292,000 of the disaster response account-- state appropriation and ((~~$53,253,000~~)) $69,625,000 of the disaster response account--federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of financial management. The military department shall submit a report to the office of financial management and the legislative fiscal committees on October 1st and February 1st of each year detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2014-2015 biennium based on current revenue and expenditure patterns.

(2) ((~~$75,000,000~~)) $60,000,000 of the general fund--federal appropriation is provided solely for homeland security, subject to the following conditions:

(a) Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee; and

(b) The department shall submit an annual report to the office of financial management and the legislative fiscal committees detailing the governor's domestic security advisory group recommendations; homeland security revenues and expenditures, including estimates of total federal funding for the state; and incremental changes from the previous estimate.

(3) $7,000 of the general fund--state appropriation for fiscal year 2014 and $30,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Engrossed Second Substitute House Bill No. 2347 (oil transportation safety). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(4) $160,000 of the general fund--federal appropriation is provided solely for a grant to the Spokane regional health district for operation of the biosafety level three laboratory in fiscal year 2015.

Sec. 143. 2013 2nd sp.s. c 4 s 144 (uncodified) is amended to read as follows:

FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

General Fund--State Appropriation (FY 2014) ..... ((~~$1,977,000~~)) $1,993,000
General Fund--State Appropriation (FY 2015) ..... ((~~$2,036,000~~)) $2,079,000
Higher Education Personnel Services Account--State Appropriation ..... ((~~$521,000~~)) $522,000
Personnel Service Account--State Appropriation ..... ((~~$3,300,000~~)) $3,334,000
TOTAL APPROPRIATION ((~~$7,834,000~~)) $7,928,000

Sec.144. 2013 2nd sp.s. c 4 s 145 (uncodified) is amended to read as follows:

FOR THE BOARD OF ACCOUNTANCY

Certified Public Accountants' Account--State Appropriation ..... ((~~$2,699,000~~)) $2,705,000

Sec. 145. 2013 2nd sp.s. c 4 s 147 (uncodified) is amended to read as follows:

FOR THE HORSE RACING COMMISSION

Horse Racing Commission Operating Account--State Appropriation ..... ((~~$3,552,000~~)) $3,475,000

The appropriation in this section is subject to the following conditions and limitations: Pursuant to RCW 43.135.055, the commission is authorized to increase licensing fees by up to five percent in fiscal year 2014 and up to five percent in fiscal year 2015; and background check fees by up to one dollar in fiscal year 2014, and up to one dollar in fiscal year 2015.

Sec. 146. 2013 2nd sp.s. c 4 s 148 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

General Fund--State Appropriation (FY 2014) ..... ((~~$3,654,000~~)) $3,661,000
General Fund--State Appropriation (FY 2015) ..... ((~~$3,628,000~~)) $3,637,000
Building Code Council Account--State Appropriation ..... ((~~$1,227,000~~)) $1,228,000
Data Processing Revolving Account--State Appropriation $7,062,000
Enterprise Services Account--State Appropriation $2,400,000
TOTAL APPROPRIATION ..... ((~~$8,509,000~~)) $17,988,000

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

(1) $3,287,000 of the general fund--state appropriation for fiscal year 2014 and $3,286,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the payment of facilities and services charges, utilities and contracts charges, public and historic facilities charges, and capital projects surcharges allocable to the senate, house of representatives, statute law committee, and joint legislative systems committee. The department shall allocate charges attributable to these agencies among the affected revolving funds. The department shall maintain an interagency agreement with these agencies to establish performance standards, prioritization of preservation and capital improvement projects, and quality assurance provisions for the delivery of services under this subsection. The legislative agencies named in this subsection shall continue to enjoy all of the same rights of occupancy and space use on the capitol campus as historically established.

(2) In accordance with RCW 46.08.172 and 43.135.055, the department is authorized to increase parking fees in fiscal years 2014 and 2015 as necessary to meet the actual costs of conducting business.

(3) The building code council account appropriation is provided solely for the operation of the state building code council as required by statute and modified by the standards established by executive order 10-06. The council shall not consider any proposed code amendment or take any other action not authorized by statute or in compliance with the standards established in executive order 10-06. No member of the council may receive compensation, per diem, or reimbursement for activities other than physical attendance at those meetings of the state building code council or the council's designated committees, at which the opportunity for public comment is provided generally and on all agenda items upon which the council proposes to take action. The building code council shall comply with chapter 19.85 RCW, known as the regulatory fairness act, by including with all proposed substantial code amendments an analysis addressing cost effectiveness, net benefits, payback periods, and life-cycle costs.

((~~(5)~~)) (4) The department of enterprise services shall purchase flags needed for ceremonial occasions on the capitol campus in order to fully represent the countries that have an international consulate in Washington state.

((~~(6)~~)) (5) Before any agency may purchase a passenger motor vehicle as defined in RCW 43.19.560, the agency must have written approval from the director of the department of enterprise services.

((~~(7)~~)) (6) $2,400,000 of the ((~~data processing revolving account~~)) enterprise services account--state appropriation is provided solely for the implementation of a pilot program to implement a strategy and action plan to modernize the state's enterprise financial and administrative systems. The department, the office of financial management, and the office of the chief information officer, will lead the planning effort and establish advisory committees composed of key stakeholders. The plan will include an assessment of the readiness of state government to conduct a business transformation and system replacement project of this scale. The plan shall incorporate the objectives of lean management and should include recommendations on: Project scope, phasing and timeline, expected outcomes and measures of success, product strategy, budget and financing strategy options, risk mitigation, staffing and organization, and strategies to close readiness gaps. The department shall submit the implementation plan to the fiscal committees of the legislature by December 15, ((~~2013~~)) 2014.

The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

((~~(8) $8,013,000~~)) (7) $7,062,000 of the data processing revolving account--state appropriation is provided solely for the implementation of a pilot program to implement a time, leave, and attendance enterprise system. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

((~~(9)~~)) (8) From the fee charged to master contract vendors, the department shall transfer to the office of minority and women's business enterprises in equal monthly installments $2,039,000 in fiscal year 2014 and $2,038,000 in fiscal year 2015.

((~~(10)~~)) (9) The legislature intends to review for purchase parcel number one and surrounding property on McNeil Island. The department shall coordinate with the federal government to obtain an appraisal determining the fair market value and shall provide an estimate to the legislative fiscal committees by October 1, 2013.

(10) Pursuant to chapter 39.94 RCW, the department is authorized to enter into a financing contract for up to $69,000,000 plus financing expenses and required reserves to construct a new office building at 1063 Capitol Way South, Olympia.

Sec. 147. 2013 2nd sp.s. c 4 s 149 (uncodified) is amended to read as follows:

FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS

Volunteer Firefighters' and Reserve Officers'
Administrative Account--State Appropriation ..... ((~~$1,044,000~~)) $967,000

Sec. 148. 2013 2nd sp.s. c 4 s 150 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

General Fund--State Appropriation (FY 2014) ..... ((~~$1,293,000~~)) $1,271,000
General Fund--State Appropriation (FY 2015) ..... ((~~$1,242,000~~)) $1,452,000
General Fund--Federal Appropriation $1,950,000
General Fund--Private/Local Appropriation $14,000
TOTAL APPROPRIATION ..... ((~~$4,499,000~~)) $4,687,000

The appropriations in this section are subject to the following conditions and limitations: $120,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for costs associated with the relocation of the department's operations from 1063 Capitol Way to the Lord mansion in Olympia.

NEW SECTION. **Sec. 149.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE GAMBLING COMMISSION

Pursuant to RCW 43.135.055, the commission is authorized to increase license fees by up to five percent in fiscal year 2015.

(End of part)

PART II

HUMAN SERVICES

Sec. 201. 2013 2nd sp.s. c 4 s 201 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 213 of this act as may be necessary to finance a unified health care plan for the WMIP and the MICP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons, nor expand beyond one county during the 2013-2015 fiscal biennium. The amount of funding assigned from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled, times the number of clients enrolled. In implementing the WMIP and the MICP, the health care authority and the department may: (i) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for enrolled individuals; and (ii) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs.

(b) If Washington has been selected to participate in phase two of the federal demonstration project for persons dually-eligible for both medicare and medicaid, the department and the authority may initiate the MICP. Participation in the project shall be limited to persons who are eligible for both medicare and medicaid and to counties in which the county legislative authority has agreed to the terms and conditions under which it will operate. The purpose of the project shall be to demonstrate and evaluate ways to improve care while reducing state expenditures for persons enrolled both in medicare and medicaid. To that end, prior to initiating the project, the department and the authority shall assure that state expenditures shall be no greater on either a per person or total basis than the state would otherwise incur. Individuals who are solely eligible for medicaid may also participate if their participation is agreed to by the health care authority, the department, and the county legislative authority.

(4) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(5) The department shall to the maximum extent practicable use the same system for delivery of spoken-language interpreter services for social services appointments as the one established for medical appointments in section 213 of this act. When contracting directly with an individual to deliver spoken language interpreter services, the department shall only contract with language access providers who are working at a location in the state and who are state-certified or state-authorized, except that when such a provider is not available, the department may use a language access provider who meets other certifications or standards deemed to meet state standards, including interpreters in other states.

(6) The department shall facilitate enrollment under the medicaid expansion for clients applying for or receiving state funded services from the department and its contractors. Prior to open enrollment, the department shall coordinate with the health care authority to provide referrals to the Washington health benefit exchange for clients that will be ineligible for the medicaid expansion but are enrolled in coverage that will be eliminated in the transition to the medicaid expansion.

(7)(a) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, 2014, unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2014 among programs after approval by the director of financial management. However, the department shall not transfer state moneys that are provided solely for a specified purpose except as expressly provided in (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year 2014 caseload forecasts and utilization assumptions in the long-term care, foster care, adoptions support, medicaid personal care, and child support programs, the department may transfer state moneys that are provided solely for a specified purpose. The department shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

Sec. 202. 2013 2nd sp.s. c 4 s 202 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM

General Fund--State Appropriation (FY 2014) ..... ((~~$296,676,000~~))
$297,587,000
General Fund--State Appropriation (FY 2015) ..... ((~~$297,641,000~~))
$298,458,000
General Fund--Federal Appropriation ..... ((~~$489,939,000~~))
$493,925,000
General Fund--Private/Local Appropriation..... $1,354,000
Home Security Fund Account--State Appropriation $10,741,000
Domestic Violence Prevention Account--State
Appropriation $1,240,000
Child and Family Reinvestment Account--State
Appropriation ..... ((~~$6,491,000~~))
$2,647,000
TOTAL APPROPRIATION..... ((~~$1,104,082,000~~))
$1,105,952,000

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

(1) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures.

(2) $668,000 of the general fund--state appropriation for fiscal year 2014 and $668,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to contract for the operation of one pediatric interim care center. The center shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the center must be in need of special care as a result of substance abuse by their mothers. The center shall also provide on-site training to biological, adoptive, or foster parents. The center shall provide at least three months of consultation and support to the parents accepting placement of children from the center. The center may recruit new and current foster and adoptive parents for infants served by the center. The department shall not require case management as a condition of the contract.

(3) $538,500 of the general fund--state appropriation for fiscal year 2014, $539,500 of the general fund--state appropriation for fiscal year 2015, $656,000 of the general fund--private/local appropriation, and $253,000 of the general fund--federal appropriation are provided solely for children's administration to contract with an educational advocacy provider with expertise in foster care educational outreach. The amounts in this subsection are provided solely for contracted education coordinators to assist foster children in succeeding in K-12 and higher education systems and to assure a focus on education during the transition to performance based contracts. Funding shall be prioritized to regions with high numbers of foster care youth and/or regions where backlogs of youth that have formerly requested educational outreach services exist. The department shall utilize private matching funds to maintain educational advocacy services.

(4) $10,741,000 of the home security fund--state appropriation is provided solely for the department to contract for services pursuant to RCW 13.32A.030 and 74.15.220. The department shall contract and collaborate with service providers in a manner that maintains the availability and geographic representation of secure and semi-secure crisis residential centers and HOPE centers. To achieve efficiencies and increase utilization, the department shall allow the co-location of these centers, except that a youth may not be placed in a secure facility or the secure portion of a co-located facility except as specifically authorized by chapter 13.32A RCW. The reductions to appropriations in this subsection related to semi-secure crisis residential centers reflect a reduction to the number of beds for semi- secure crisis residential centers and not a reduction in rates. Any secure crisis residential center or semi-secure crisis residential center bed reduction shall not be based solely upon bed utilization. The department is to exercise its discretion in reducing the number of beds but to do so in a manner that maintains availability and geographic representation of semi-secure and secure crisis residential centers.

(5) $125,000 of the general fund--state appropriation for fiscal year 2014 and $125,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a community-based organization that has innovated, developed, and replicated a foster care delivery model that includes a licensed hub home. The community-based organization will provide training and technical assistance to the children's administration to develop five hub home models in region 2 that will improve child outcomes, support foster parents, and encourage the least restrictive community placements for children.

(6) $73,000 of the general fund--state appropriation for fiscal year 2014, $20,000 of the general fund--state appropriation for fiscal year 2015, and $31,000 of the general fund--federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1566 (youth in out-of-home care). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(7) $88,000 of the general fund--state appropriation for fiscal year 2014, $2,000 of the general fund--state appropriation for fiscal year 2015, and $28,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1774 (child welfare system). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(8) $1,698,000 of the general fund--state appropriation for fiscal year 2014, $2,788,000 of the general fund--state appropriation for fiscal year 2015, and $1,894,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5405 (extended foster care). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(9) $579,000 of the general fund--state appropriation for fiscal year 2014, $579,000 of the general fund--state appropriation for fiscal year 2015, and $109,000 of the general fund--federal appropriation are provided solely for a receiving care center east of the Cascade mountains.

(10)(a) $446,000 of the general fund--state appropriation for fiscal year 2014 and $446,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a contract with a nongovernmental entity or entities to establish one demonstration site in a school district or group of school districts in western Washington.

(b) The children's administration and the nongovernmental entity or entities shall collaboratively select the demonstration site. The demonstration site should be a school district or group of school districts with a significant number of students who are dependent pursuant to chapter 13.34 RCW.

(c) The demonstration site established under this subsection must be selected by September 1, 2013.

(d) The purpose of the demonstration site is to improve the educational outcomes of students who are dependent pursuant to chapter 13.34 RCW by providing individualized education services and monitoring and supporting dependent youths' completion of educational milestones, remediation needs, and special education needs.

(e) The demonstration site established under this subsection must facilitate the educational progress and graduation of dependent youth. The contract must be performance-based with a stated goal of improving the graduation rates of foster youth by two percent per year over five school year periods, starting with the 2014-15 school year and ending with the 2019-20 school year. The demonstration site must develop and provide services aimed at improving the educational outcomes of foster youth. These services must include:

(i) Direct advocacy for foster youth to eliminate barriers to educational access and success;

(ii) Consultation with department of social and health services case workers to develop educational plans for and with participating youth;

(iii) Monitoring education progress of participating youth;

(iv) Providing participating youth with school and local resources that may assist in educational access and success; and

(v) Coaching youth, caregivers, and social workers to advocate for dependent youth in the educational system.

(f) The contracted nongovernmental entity or entities must report demonstration site outcomes to the department of social and health services and the office of public instruction by June 30, 2014, for the 2013-14 school year, and by June 30, 2015, for the 2014-15 school year.

(g) The children's administration must proactively refer all students fifteen years or older, within the demonstration site area, to the selected nongovernmental entity for educational services.

(h) The children's administration must report quarterly to the legislature on the number of eligible youth and number of youth referred for services beginning at the close of the second quarter of fiscal year 2014 and through the final quarter of fiscal year 2015.

(i) The contracted nongovernmental entity or entities shall report to the legislature by June 30, 2015, on the effectiveness of the demonstration site in increasing graduation rates for dependent youth.

(11) $50,000 of the general fund--state appropriation for fiscal year 2014, and $50,000 of the general fund--state appropriation for fiscal year 2015, and $256,000 of the general fund--federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5315 (Powell fatality team). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(12) $670,000 of the general fund--state appropriation for fiscal year 2014 and $670,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for services provided through children's advocacy centers.

(13)(a) $22,695,000 of the general fund--state appropriation for fiscal year 2014, $22,695,000 of the general fund--state appropriation for fiscal year 2015, and $28,450,000 of the general fund--federal appropriation are provided solely for services for children and families. Prior to approval of contract services pursuant to RCW 74.13B.020, the amounts provided in this section shall be allotted on a monthly basis and expenditures shall not exceed allotments based on a three-month rolling average without approval of the office of financial management following notification to the legislative fiscal committees.

(b) The department shall provide these services to safely reduce the number of children in out-of-home care, the time spent in out-of- home care prior to achieving permanency, and the number of children returning to out-of-home care following permanency.

(14) $244,000 of the general fund--state appropriation for fiscal year 2014, ((~~$1,783,000~~)) $5,832,000 of the general fund--state appropriation for fiscal year 2015, ((~~$6,491,000~~)) $2,647,000 of the child and family reinvestment account--state appropriation, and $8,274,000 of the general fund--federal appropriation, are provided solely for the implementation and operations of the family assessment response program.

(15) $100,000 of the general fund--state appropriation for fiscal year 2015 and $60,000 of the general fund--federal appropriation are provided solely to implement Engrossed Second Substitute House Bill No. 1675 (adoption process). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(16) $15,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to implement Second Substitute House Bill No. 2616 (parents with developmental disabilities). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(17) $150,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for training, technical assistance, and fidelity oversight for an open source parenting program developed by a university-based child welfare research entity. Expenditure of the amount provided in this subsection is contingent upon the availability of private funds necessary for the research entity to develop the open source parenting curriculum. The children's administration must make the open source parenting program available to parents with an open child welfare case beginning in the last six months of fiscal year 2015.

(18) Effective January 2015, in addition to the youth eligible for extended foster care services under RCW 13.34.267 and 74.13.031, the department is authorized to provide extended foster care services to nonminor dependents who are engaged in employment for eighty hours or more per month. $83,000 of the general fund--state appropriation for fiscal year 2015 and $23,000 of the general fund--federal appropriation are provided solely for such services.

(19) Within amounts appropriated in this section, the advisory committee convened by the department in RCW 74.13.096 shall consult with the governor's office of Indian affairs, the Washington state commission on African-American affairs, the Washington state commission on Asian Pacific American affairs, and the Washington state commission on Hispanic affairs to develop membership rules by August 1, 2014. The membership rules must be included in the annual secretary's report required under RCW 74.13.096(6).

Sec. 203. 2013 2nd sp.s. c 4 s 203 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE REHABILITATION PROGRAM

General Fund--State Appropriation (FY 2014) ..... ((~~$89,967,000~~)) $89,982,000

General Fund--State Appropriation (FY 2015) ..... ((~~$90,255,000~~)) $89,889,000

General Fund--Federal Appropriation $3,464,000

General Fund--Private/Local Appropriation $1,981,000

Washington Auto Theft Prevention Authority Account--State Appropriation $196,000

Reinvesting in Youth--State Appropriation $383,000

Juvenile Accountability Incentive Account--Federal Appropriation $2,801,000

TOTAL APPROPRIATION..... ((~~$189,047,000~~)) $188,696,000

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

(1) $331,000 of the general fund--state appropriation for fiscal year 2014 and $331,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) $2,716,000 of the general fund--state appropriation for fiscal year 2014 and $2,716,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) $3,482,000 of the general fund--state appropriation for fiscal year 2014 and $3,482,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) $1,130,000 of the general fund--state appropriation for fiscal year 2014 and $1,130,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(5) $3,123,000 of the general fund--state appropriation for fiscal year 2014 and $3,123,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for grants to county juvenile courts for the following programs identified by the Washington state institute for public policy (institute) in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Functional family therapy, multi-systemic therapy, aggression replacement training and interagency coordination programs, or other programs with a positive benefit-cost finding in the institute's report. County juvenile courts shall apply to the juvenile rehabilitation administration for funding for program-specific participation and the administration shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

(6) $1,537,000 of the general fund--state appropriation for fiscal year 2014 and $1,537,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for expansion of the following treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Multidimensional treatment foster care, family integrated transitions, and aggression replacement training, or other programs with a positive benefit-cost finding in the institute's report. The administration may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(7)(a) The juvenile rehabilitation administration shall administer a block grant, rather than categorical funding, of consolidated juvenile service funds, community juvenile accountability act grants, the chemical dependency disposition alternative funds, the mental health disposition alternative, and the sentencing disposition alternative for the purpose of serving youth adjudicated in the juvenile justice system. In making the block grant, the juvenile rehabilitation administration shall follow the following formula and will prioritize evidence-based programs and disposition alternatives and take into account juvenile courts program-eligible youth in conjunction with the number of youth served in each approved evidence- based program or disposition alternative: (i) Thirty-seven and one- half percent for the at-risk population of youth ten to seventeen years old; (ii) fifteen percent for moderate and high-risk youth; (iii) twenty-five percent for evidence-based program participation; (iv) seventeen and one-half percent for minority populations; (v) three percent for the chemical dependency disposition alternative; and (vi) two percent for the mental health and sentencing dispositional alternatives. Funding for the special sex offender disposition alternative (SSODA) shall not be included in the block grant, but allocated on the average daily population in juvenile courts. Funding for the evidence-based expansion grants shall be excluded from the block grant formula. Funds may be used for promising practices when approved by the juvenile rehabilitation administration and juvenile courts, through the community juvenile accountability act committee, based on the criteria established in consultation with Washington state institute for public policy and the juvenile courts.

(b) The juvenile rehabilitation administration and the juvenile courts shall establish a block grant funding formula oversight committee with equal representation from the juvenile rehabilitation administration and the juvenile courts. The purpose of this committee is to assess the ongoing implementation of the block grant funding formula, utilizing data-driven decision making and the most current available information. The committee will be cochaired by the juvenile rehabilitation administration and the juvenile courts, who will also have the ability to change members of the committee as needed to achieve its purpose. Initial members will include one juvenile court representative from the finance committee, the community juvenile accountability act committee, the risk assessment quality assurance committee, the executive board of the Washington association of juvenile court administrators, the Washington state center for court research, and a representative of the superior court judges association; two representatives from the juvenile rehabilitation administration headquarters program oversight staff, two representatives of the juvenile rehabilitation administration regional office staff, one representative of the juvenile rehabilitation administration fiscal staff and a juvenile rehabilitation administration division director. The committee may make changes to the formula categories other than the evidence-based program and disposition alternative categories if it is determined the changes will increase statewide service delivery or effectiveness of evidence-based program or disposition alternative resulting in increased cost benefit savings to the state. Long-term cost benefit must be considered. Percentage changes may occur in the evidence-based program or disposition alternative categories of the formula should it be determined the changes will increase evidence-based program or disposition alternative delivery and increase the cost benefit to the state. These outcomes will also be considered in determining when evidence-based expansion or special sex offender disposition alternative funds should be included in the block grant or left separate.

(c) The juvenile courts and administrative office of the courts shall be responsible for collecting and distributing information and providing access to the data systems to the juvenile rehabilitation administration and the Washington state institute for public policy related to program and

outcome data. The juvenile rehabilitation administration and the juvenile courts will work collaboratively to develop program outcomes that reinforce the greatest cost benefit to the state in the implementation of evidence-based practices and disposition alternatives.

(8) The juvenile courts and administrative office of the courts shall collect and distribute information related to program outcome and provide access to these data systems to the juvenile rehabilitation administration and Washington state institute for public policy. The agreements between administrative office of the courts, the juvenile courts, and the juvenile rehabilitation administration shall be executed to ensure that the juvenile rehabilitation administration receives the data that the juvenile rehabilitation administration identifies as needed to comply with this subsection. This includes, but is not limited to, information by program at the statewide aggregate level, individual court level, and individual client level for the purpose of the juvenile rehabilitation administration providing quality assurance and oversight for the locally committed youth block grant and associated funds and at times as specified by the juvenile rehabilitation administration as necessary to carry out these functions. The data shall be provided in a manner that reflects the collaborative work the juvenile rehabilitation administration and juvenile courts have developed regarding program outcomes that reinforce the greatest cost benefit to the state in the implementation of evidence-based practices and disposition alternatives.

(9) $445,000 of the general fund--state appropriation for fiscal year 2014 and $445,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for funding of the teamchild project.

(10) $178,000 of the general fund--state appropriation for fiscal year 2014 and $178,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the juvenile detention alternatives initiative.

(11) $250,000 of the general fund--state appropriation for fiscal year 2014 and $250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant program focused on criminal street gang prevention and intervention. The Washington state partnership council on juvenile justice may award grants under this subsection. The council shall give priority to applicants who have demonstrated the greatest problems with criminal street gangs. Applicants composed of, at a minimum, one or more local governmental entities and one or more nonprofit, nongovernmental organizations that have a documented history of creating and administering effective criminal street gang prevention and intervention programs may apply for funding under this subsection.

(12) $100,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to implement Engrossed Substitute House Bill No. 2164 (juvenile firearms offenders). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(13) $500,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for competitive grants to community-based organizations to provide at-risk youth intervention services, including but not limited to, case management, employment services, educational services, and street outreach intervention programs. Projects funded should focus on preventing, intervening, and suppressing behavioral problems and violence while linking at-risk youth to pro-social activities. The costs of administration may not exceed four percent of appropriated funding for each grant recipient. Each entity receiving funds must report to the juvenile rehabilitation administration on the number and types of youth served, the services provided, and the impact of those services upon the youth and the community.

Sec. 204. 2013 2nd sp.s. c 4 s 204 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH PROGRAM

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund--State Appropriation (FY 2014) ..... ((~~$327,467,000~~)) $328,527,000

General Fund--State Appropriation (FY 2015) ..... ((~~$308,723,000~~)) $329,211,000

General Fund--Federal Appropriation ..... ((~~$561,394,000~~)) $666,113,000

General Fund--Private/Local Appropriation..... $17,864,000

TOTAL APPROPRIATION..... ((~~$1,215,448,000~~)) $1,341,715,000

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

(a) $104,999,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$85,895,000~~)) $88,895,000 of the general fund-- state appropriation for fiscal year 2015 are provided solely for persons and services not covered by the medicaid program. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: Crisis and commitment services; community inpatient services; and residential care services, including personal care and emergency housing assistance. This is a reduction in flexible nonmedicaid funding of $4,343,000 for fiscal year 2014 and ((~~$23,446,000~~)) $20,446,000 for fiscal year 2015. This reduction reflects offsets in state funding related to services that will now be funded with federal dollars through the affordable care act medicaid expansion. This reduction shall be distributed ((~~as follows: (i) The $4,343,000 reduction in fiscal year 2014 and $11,723,000 of the reduction in fiscal year 2015 must be distributed~~)) among regional support networks based on a formula that equally weights each regional support networks proportion of individuals who become newly eligible and enroll in medicaid under the expansion provisions of the affordable care act ((~~in fiscal year 2014~~)) and each regional support network's spending of flexible nonmedicaid funding on services that would be reimbursable for federal medicaid matching funds if provided to medicaid enrollees in the 2011-2013 fiscal biennium.

((~~(ii) The remaining $11,723,000 reduction in fiscal year 2015 must be distributed among regional support networks based on each regional support network's proportion of individuals who become newly eligible and enroll in medicaid under the expansion provisions of the affordable care act through fiscal year 2015.~~))

(b) $6,590,000 of the general fund--state appropriation for fiscal year 2014, $6,590,000 of the general fund--state appropriation for fiscal year 2015, and $7,620,000 of the general fund--federal appropriation are provided solely for the department and regional support networks to continue to contract for implementation of high- intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to regional support networks with PACT teams, the department shall consider the differences between regional support networks in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The department may allow regional support networks which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under section 204(1)(a) of

this act. The department and regional support networks shall maintain consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

(c) $5,850,000 of the general fund--state appropriation for fiscal year 2014, $5,850,000 of the general fund--state appropriation for fiscal year 2015, and $1,300,000 of the general fund--federal appropriation are provided solely for the western Washington regional support networks to provide either community- or hospital campus-based services for persons who require the level of care previously provided by the program for adaptive living skills (PALS) at western state hospital.

(d) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 557 per day.

(e) From the general fund--state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and disability services administration for the general fund--state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

(f) The department is authorized to continue to contract directly, rather than through contracts with regional support networks, for children's long-term inpatient facility services.

(g) $750,000 of the general fund--state appropriation for fiscal year 2014 and $750,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who were discharged from the state hospitals as part of the expanding community services initiative. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

(h) $1,125,000 of the general fund--state appropriation for fiscal year 2014 and $1,125,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Spokane regional support network to implement services to reduce utilization and the census at eastern state hospital. Such services shall include:

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

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

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

(iv) Services at the sixteen-bed evaluation and treatment facility.

At least annually, the Spokane regional support network shall assess the effectiveness of these services in reducing utilization at eastern state hospital, identify services that are not optimally effective, and modify those services to improve their effectiveness.

(i) $1,529,000 of the general fund--state appropriation for fiscal year 2014 and $1,529,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to reimburse Pierce and Spokane counties for the cost of conducting 180-day commitment hearings at the state psychiatric hospitals.

(j) Regional support networks may use local funds to earn additional federal medicaid match, provided the locally matched rate does not exceed the upper-bound of their federally allowable rate range, and provided that the enhanced funding is used only to provide medicaid state plan or waiver services to medicaid clients. Additionally, regional support networks may use a portion of the state funds allocated in accordance with (a) of this subsection to earn additional medicaid match, but only to the extent that the application of such funds to medicaid services does not diminish the level of crisis and commitment, community inpatient, residential care, and outpatient services presently available to persons not eligible for medicaid.

(k) $3,436,000 of the general fund--state appropriation for fiscal year 2014 and $2,291,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement.

(l) $523,000 of the general fund--state appropriation for fiscal year 2014, $775,000 of the general fund--state appropriation for fiscal year 2015, and $854,000 of the general fund--federal appropriation are provided solely for implementation of sections 3 through 5 of chapter 289, Laws of 2013 (E2SHB 1114). Regional support networks must use this funding for the development of intensive community programs that allow individuals to be diverted or transitioned from the state hospitals in accordance with plans approved by the department.

(m) $5,986,000 of the general fund--state appropriation for fiscal year 2014, $11,592,000 of the general fund--state appropriation for fiscal year 2015, and $10,160,000 of the general fund--federal appropriation are provided solely for implementation of chapter 335, Laws of 2013 (ESSB 5480). Regional support networks must use this funding for the development of intensive community programs that allow individuals to be diverted or transitioned from the state hospitals in accordance with plans approved by the department.

(n) Due to recent approval of federal medicaid matching funds for the disability lifeline and the alcohol and drug abuse treatment support act programs, the department shall charge regional support networks for only the state share rather than the total cost of community psychiatric hospitalization for persons enrolled in those programs.

(o) The legislature finds that the circumstances of the Chelan- Douglas regional support network (CD-RSN) make it necessary for CD-RSN to undergo restructuring in order to provide mental health services essential to the health and wellness of the citizens within its service area. The legislature intends to provide additional temporary financial relief to the CD-RSN while it undergoes internal restructuring or negotiates a merger with another regional support network.

The department shall negotiate relief for outstanding fiscal year 2013 reimbursements owed by CD-RSN to the state provided that the CD-RSN has a plan in place that is approved by the department by August 1, 2013, that demonstrates how CD-RSN will maintain financial viability and stability or will merge with another regional support network.

For the period of July 1, 2013, through December 31, 2013, the department may alter collection of reimbursement from CD-RSN for overuse of state hospital beds. To receive a reduction to the required reimbursement for overuse of state hospital beds, CD-RSN must continue to prioritize services that reduce its utilization and census at eastern state hospital and be actively implementing an approved plan to maintain financial viability or pursuing a future merger with another regional support network. Up to $298,000 of the general fund--state appropriation for fiscal year 2014 is for the department to provide payments to regional support networks in eastern Washington which have used less than their allocated or contracted patient days of care at the state hospital to replace the share of the reimbursements from CD- RSN that the regional support networks would have received under RCW 71.24.320.

(p) $266,000 of the general fund--state appropriation for fiscal year 2014 ((~~is~~)) and $1,500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to maintain services for the King county regional support network as it works to transition services to settings that are eligible for federal participation for individuals covered under the medicaid program.

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

(r) $7,281,000 of the general fund--state appropriation for fiscal year 2015 and $4,589,000 of the general fund--federal appropriation are provided solely for implementation of Substitute House Bill No. 2725 (involuntary commitment) and enhancement of community mental health services. The department must contract these funds for the operation of the following community programs that allow individuals to be diverted or transitioned from the state hospitals: (i) Community hospital or free standing evaluation and treatment services providing short-term detention and commitment services under the involuntary treatment act to be located in the geographic areas of the King regional support network, the Spokane regional support network outside of Spokane county, and the Thurston Mason regional support network; (ii) one new full program of an assertive community treatment team in the King regional support network and two new half programs of assertive community treatment teams in the Spokane regional support network and the Pierce regional support network; and (iii) three new recovery support services programs in the Grays Harbor regional support network, the Greater Columbia regional support network, and the North Sound regional support network. In contracting for community evaluation and treatment services, the department may not use these resources in facilities that meet the criteria to be classified under federal law as institutions for mental diseases. If the department is unable to come to a contract agreement with a designated regional support network for any of the services identified above, it may consider contracting for that service in another regional support network that has the need for such service.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2014) ..... ((~~$135,246,000~~)) $141,113,000

General Fund--State Appropriation (FY 2015) ..... ((~~$131,863,000~~)) $130,819,000

General Fund--Federal Appropriation ..... ((~~$150,863,000~~)) $159,324,000

General Fund--Private/Local Appropriation ..... ((~~$63,097,000~~)) $58,848,000

TOTAL APPROPRIATION ..... ((~~$481,069,000~~)) $490,104,000

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

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

(b) $231,000 of the general fund--state appropriation for fiscal year 2014 and $231,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a community partnership between western state hospital and the city of Lakewood to support community policing efforts in the Lakewood community surrounding western state hospital. The amounts provided in this subsection (2)(b) are for the salaries, benefits, supplies, and equipment for one full- time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood.

(c) $45,000 of the general fund--state appropriation for fiscal year 2014 and $45,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(d) $20,000,000 of the general fund--state appropriation for fiscal year 2014 and $20,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to maintain staffed capacity to serve an average daily census in forensic wards at western state hospital of 270 patients per day.

(e) ((~~$2,068,000~~)) $6,194,000 of the general fund--state appropriation for fiscal year 2014, $2,066,000 of the general fund-- state appropriation for fiscal year 2015, and $240,000 of the general fund--federal appropriation are provided solely for the state psychiatric hospitals to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the international classification of diseases (ICD-10) by October 1, 2014. These funds must only be used for an electronic medical record system that meets federal criteria for electronic sharing of patient information and clinical care summaries with doctors' offices, hospitals, and health systems which use federally certified electronic health record systems. The procurement and implementation shall be conducted to allow for these services to be expanded to the department of corrections. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(3) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2014) ..... ((~~$1,609,000~~)) $1,612,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,610,000~~)) $1,613,000

General Fund--Federal Appropriation $6,286,000

TOTAL APPROPRIATION ..... ((~~$9,505,000~~)) $9,511,000

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

(a) $1,161,000 of the general fund--state appropriation for fiscal year 2014 and $1,161,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for children's evidence-based mental health services.

(b) $446,000 of the general fund--state appropriation for fiscal year 2014, $446,000 of the general fund--state appropriation for fiscal year 2015, and $178,000 of the general fund--federal appropriation are provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices. The institute must work with the department to develop a plan to seek private, federal, or other grant funding in order to reduce the need for state general funds. The institute and the department must submit this plan to the office of financial management and the fiscal committees of the legislature by December 1, 2013.

(4) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2014) ..... ((~~$5,287,000~~)) $6,153,000

General Fund--State Appropriation (FY 2015) ..... ((~~$4,777,000~~)) $7,486,000

General Fund--Federal Appropriation ..... ((~~$7,711,000~~)) $9,443,000

General Fund--Private/Local Appropriation $502,000

TOTAL APPROPRIATION ..... ((~~$18,277,000~~)) $23,584,000

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

(a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to adopt license and certification fees in fiscal years 2014 and 2015 to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower costs of licensing for these programs than for other organizations which are not accredited.

(b) $74,000 of the general fund--state appropriation for fiscal year 2014, $74,000 of the general fund--state appropriation for fiscal year 2015, and $78,000 of the general fund--federal appropriation are provided solely for implementation of chapter 335, Laws of 2013 (ESSB 5480).

(c) $160,000 of the general fund--state appropriation for fiscal year 2014 and $80,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of chapter 284, Laws of 2013 (ESSB 5551).

(d) In developing the new medicaid managed care rates under which the public mental health managed care system will operate, the department must seek to estimate the reasonable and necessary cost of efficiently and effectively providing a comparable set of medically necessary mental health benefits to persons of different acuity levels regardless of where in the state they live. The department must report to the office of financial management and to the relevant fiscal and policy committees of the legislature on its proposed new mental health managed care rate-setting approach by August 1, 2013, and again at least sixty days prior to implementation of new capitation rates.

(e) $349,000 of the general fund--state appropriation for fiscal year 2014, $212,000 of the general fund--state appropriation for fiscal year 2015, and $302,000 of the general fund--federal appropriation are provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

(f) The department shall work cooperatively with the health care authority to explore the feasibility of incentivizing small, rural hospitals to convert, in part or fully, some of their beds to psychiatric treatment beds. No later than December 31, 2014, the department shall report to the appropriate fiscal committees of the legislature on the feasibility of such conversion. The report shall consider rate enhancements and the ability to claim federal medicaid matching funds on converted beds.

(g) $75,000 of the general fund--state appropriation for fiscal year 2014 and $21,000 of the general fund--federal appropriation are provided for implementation of section 9, chapter 197, Laws of 2013 (ESHB 1336). The department must utilize these funds for mental health first aid training targeted at teachers and educational staff in accordance with the training model developed by the department of psychology in Melbourne, Australia.

(h) Within the amounts appropriated in this section, funding is provided for the department to continue to develop the child adolescent needs and strengths assessment tool and build workforce capacity to provide evidence based wraparound services for children, consistent with the ((~~anticipated~~)) settlement agreement in *T.R. v. Dreyfus and Porter*.

(i) $610,000 of the general fund--state appropriation for fiscal year 2014, $1,193,000 of the general fund--state appropriation for fiscal year 2015, and $971,000 of the general fund--federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 2639 (mental health, chemical dependency) and Engrossed Substitute House Bill No. 2315 (suicide prevention). If Second Substitute House Bill No. 2639 (mental health, chemical dependency) is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(j) $70,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the department to contract with the criminal justice training commission for training officers on working with individuals with mental health issues.

Sec. 205. 2013 2nd sp.s. c 4 s 205 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2014) ..... ((~~$439,963,000~~)) $445,988,000

General Fund--State Appropriation (FY 2015) ..... ((~~$458,131,000~~)) $474,995,000

General Fund--Federal Appropriation ..... ((~~$820,769,000~~)) $838,228,000

General Fund--Private/Local Appropriation ..... ((~~$21,000~~)) $776,000

TOTAL APPROPRIATION ..... ((~~$1,718,884,000~~)) $1,759,987,000

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

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

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

(i) The current annual renewal license fee for adult family homes shall be increased to $225 per bed beginning in fiscal year 2014 and $225 per bed beginning in fiscal year 2015. A processing fee of $2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable.

(ii) The current annual renewal license fee for assisted living facilities shall be increased to $106 per bed beginning in fiscal year 2014 and $106 per bed beginning in fiscal year 2015.

(iii) The current annual renewal license fee for nursing facilities shall be increased to $359 per bed beginning in fiscal year 2014 and $359 per bed beginning in fiscal year 2015.

(c) ((~~$13,301,000~~)) $13,267,000 of the general fund--state appropriation for fiscal year 2014, ((~~$20,607,000~~)) $20,754,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$33,910,000~~)) $34,024,000 of the general fund federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw through an interest arbitration decision under the provisions of chapters 74.39A and 41.56 RCW for the 2013-2015 fiscal biennium.

(d) $6,244,000 of the general fund--state appropriation for fiscal year 2014 and $6,244,000 of the general fund--state appropriation for fiscal year 2015 are appropriated solely for the individual and family support program. Within these amounts, the department shall expand the current number of clients receiving services and focus on extending services to individuals with developmental disabilities who are not otherwise receiving paid services from the department.

((~~(f) $1,547,000~~)) (e) $774,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$4,790,000~~)) $2,395,000 of the general fund--federal appropriation are provided solely for a payment system that satisfies medicaid requirements regarding time reporting for W-2 providers. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

((~~(g)~~)) (f) $1,707,000 of the general fund--state appropriation for fiscal year 2014, $2,670,000 of the general fund--state appropriation for fiscal year 2015, and $4,376,000 of the general fund--federal appropriation are provided solely for the homecare agency parity impacts of the service employees international union healthcare 775nw arbitration award.

((~~(h)~~)) (g) The department is authorized to establish limited exemption criteria in rule to address RCW 74.39A.325 when a landline phone is not available to the employee.

(h) $242,000 of the general fund--federal appropriation and $241,000 of the general fund--local appropriation are provided solely to implement Second Substitute House Bill No. 1574 (residential services and supports). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse. In accordance with Second Substitute House Bill No. 1574, the department is authorized to increase supported living fees as necessary to support the actual costs of conducting the certification, inspection, and regulatory programs. The certification fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the certification fee attributed to medicaid clients. The annual certification fee for supported living shall be $128 per client beginning in fiscal year 2015.

(i) $91,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to implement Substitute House Bill No. 2310 (provider safety equipment). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(j) The department may authorize a one-time waiver of all or any portion of the licensing and processing fees required under RCW 70.128.060 in any case in which the department determines that an adult family home is being relicensed because of exceptional circumstances, such as death or incapacity of a provider, and that to require the full payment of the licensing and processing fees would present a hardship to the applicant.

(k) The department of social and health services shall increase the benchmark rates for community residential service businesses providing supported living, group home, and licensed staff residential services for people with developmental disabilities by thirty cents starting July 1, 2014.

(l) It is the intent of the legislature to use savings from the community first choice option to make needed investments in home and community-based services for seniors and people with disabilities, including potential investments recommended by the joint legislative executive committee on aging and disability and a development and implementation council that the department of social and health services must convene prior to submitting the proposed community first choice option to the centers for medicare and medicaid services. At a minimum, the final report to the legislature from the joint legislative executive committee on aging and disability must explore the cost and benefit of rate enhancements for providers of long-term services and supports, restoration of hours for in-home clients, additional investment in the family caregiver support program, and additional investment in the individual and family services program or other medicaid services to support individuals with developmental disabilities.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2014) ..... ((~~$85,261,000~~)) $85,962,000

General Fund--State Appropriation (FY 2015) ..... ((~~$84,980,000~~)) $85,812,000

General Fund--Federal Appropriation ..... ((~~$160,021,000~~)) $161,630,000

General Fund--Private/Local Appropriation..... $23,041,000
TOTAL APPROPRIATION..... ((~~$353,303,000~~)) $356,445,000

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

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

(b) $721,000 of the general fund--state appropriation for fiscal year 2014 and $721,000 of the general fund--state appropriation for fiscal year 2015 are for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(3) PROGRAM SUPPORT
General Fund--State Appropriation (FY 2014) ..... ((~~$1,943,000~~)) $1,975,000
General Fund--State Appropriation (FY 2015) ..... ((~~$1,993,000~~)) $2,025,000
General Fund--Federal Appropriation ..... ((~~$1,957,000~~)) $2,068,000
TOTAL APPROPRIATION..... ((~~$5,893,000~~)) $6,068,000

(4) SPECIAL PROJECTS
General Fund--State Appropriation (FY 2014) ..... ((~~$1,400,000~~)) $1,403,000
General Fund--State Appropriation (FY 2015) ..... ((~~$1,400,000~~)) $1,403,000
General Fund--Federal Appropriation ..... ((~~$1,200,000~~)) $1,206,000
TOTAL APPROPRIATION..... ((~~$4,000,000~~)) $4,012,000

Sec. 206. 2013 2nd sp.s. c 4 s 206 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT SERVICES PROGRAM
General Fund--State Appropriation (FY 2014) ..... ((~~$869,628,000~~)) $860,212,000
General Fund--State Appropriation (FY 2015) ..... ((~~$923,218,000~~)) $915,709,000
General Fund--Federal Appropriation ..... ((~~$1,934,089,000~~)) $1,902,764,000
General Fund--Private/Local Appropriation..... ((~~$30,122,000~~)) $33,707,000
Traumatic Brain Injury Account--State Appropriation..... $3,393,000
Skilled Nursing Facility Safety Net Trust Account--State Appropriation ..... ((~~$88,000,000~~)) $110,681,000
TOTAL APPROPRIATION..... ((~~$3,848,450,000~~)) $3,826,466,000

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

(1) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed $171.35 for fiscal year 2014 and shall not exceed ((~~$171.58~~)) $178.82 for fiscal year 2015, including the rate add-ons described in (a) and (b) of this subsection. However, if the waiver requested from the federal centers for medicare and medicaid services in relation to the safety net assessment is for any reason disapproved, the weighted average nursing facility payment rate shall not exceed $162.43 for fiscal year 2014 and shall not exceed $163.58 for fiscal year 2015. There will be no adjustments for economic trends and conditions in fiscal years 2014 and 2015. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors defined in any other biennial appropriations acts before applying it to the component rate allocations established in accordance with chapter 74.46 RCW. When no economic trends and conditions factor for either fiscal year is defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the component rate allocations established in accordance with chapter 74.46 RCW.

(a) For fiscal year 2014 within the funds provided, the department shall continue to provide an add-on per medicaid resident day per facility not to exceed $1.57. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than $15 in calendar year 2008, according to cost report data. The add-on may also be used to address resulting wage compression for related job classes immediately affected by wage increases to low-wage workers. For fiscal year 2015 within funds provided, the department shall continue to provide an add-on per medicaid resident day per facility not to exceed $3.15. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any

other category of worker whose statewide average dollars-per-hour wage was less than $17 in calendar year 2012, according to cost report data. The department shall continue reporting requirements and a settlement process to ensure that the funds are spent according to this subsection.

(b) The department shall do a comparative analysis of the facility- based payment rates calculated on July 1, 2013, using the payment methodology defined in chapter 74.46 RCW and as funded in the omnibus appropriations act, excluding the low wage worker add-on, the direct care add-on found in subsection (1)(g) of this section, the comparative add-on, acuity add-on, and safety net reimbursement, to the facility- based payment rates in effect June 30, 2010. If the facility-based payment rate calculated on July 1, 2013, is smaller than the facility- based payment rate on June 30, 2010, then the difference shall be provided to the individual nursing facilities as an add-on payment per medicaid resident day.

(c) During the comparative analysis performed in subsection (b) of this section, if it is found that the direct care rate for any facility calculated using the payment methodology defined in chapter 74.46 RCW and as funded in the omnibus appropriations act, excluding the low wage worker add-on, the direct care add-on found in subsection (1)(g) of this section, the comparative add-on, acuity add-on, and safety net reimbursement, is greater than the direct care rate in effect on June 30, 2010, then the facility shall receive a ten percent direct care rate add-on to compensate that facility for taking on more acute clients than they have in the past.

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

(e) The rate add-on provided in (c) of this subsection is subject to the reconciliation and settlement process provided in RCW 74.46.022(6).

(f) If the waiver requested from the federal centers for medicare and medicaid services in relation to the safety net assessment is for any reason disapproved, (b), (c), ((~~and~~)) (d), and (g) of this subsection do not apply.

(g) For fiscal year 2015, the department shall provide a direct care rate add-on applied evenly across all nursing facilities of no more than six percent of the direct care payment rate calculated according to chapter 74.46 RCW. This subsection (g) is subject to the reconciliation and settlement process provided in RCW 74.46.022(6).

(2) In accordance with chapter 74.46 RCW, the department shall issue no additional certificates of capital authorization for fiscal year 2014 and no new certificates of capital authorization for fiscal year 2015 and shall grant no rate add-ons to payment rates for capital improvements not requiring a certificate of need and a certificate of capital authorization for fiscal years 2014 and 2015.

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

(a) The current annual renewal license fee for adult family homes shall be increased to $225 per bed beginning in fiscal year 2014 and $225 per bed beginning in fiscal year 2015. A processing fee of $2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable.

(b) The current annual renewal license fee for assisted living facilities shall be increased to $106 per bed beginning in fiscal year 2014 and $106 per bed beginning in fiscal year 2015.

(c) The current annual renewal license fee for nursing facilities shall be increased to $359 per bed beginning in fiscal year 2014 and $359 per bed beginning in fiscal year 2015.

(4) The department is authorized to place long-term care clients residing in nursing homes and paid for with state only funds into less restrictive community care settings while continuing to meet the client's care needs.

(5) ((~~$30,640,000~~)) $29,996,000 of the general fund--state appropriation for fiscal year 2014, ((~~$48,633,000~~)) $49,061,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$79,273,000~~)) $79,058,000 of the general fund--federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw through an interest arbitration decision under the provisions of chapters 74.39A and 41.56 RCW for the 2013-2015 fiscal biennium.

(6) $1,840,000 of the general fund--state appropriation for fiscal year 2014 and $1,877,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for operation of the volunteer services program. Funding shall be prioritized towards serving populations traditionally served by long-term care services to include senior citizens and persons with disabilities.

(7) ((~~$4,894,000~~)) $2,447,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$15,150,000~~)) $7,575,000 of the general fund--federal appropriation are provided solely for a payment system that satisfies medicaid requirements regarding time reporting for W-2 providers. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(8) The department is authorized to establish limited exemption criteria in rule to address RCW 74.39A.325 when a landline phone is not available to the employee.

(9) Within the amounts appropriated in this section, in a report to the appropriate fiscal committees of the legislature that must be submitted by December 1, 2013, the department of social and health services must describe the process for establishing medicaid rates for assisted living and adult family homes. The report must include information about licensing and physical plant standards, contracting provisions, and per capita and biennial expenditures for assisted living and adult family homes.

(10) $10,800,000 of the general fund--state appropriation for fiscal year 2014, $17,768,000 of the general fund--state appropriation for fiscal year 2015, and $28,567,000 of the general fund--federal appropriation are provided solely for the homecare agency parity impacts of the service employees international union healthcare 775nw arbitration award.

(11) $33,000 of the general fund--state appropriation for fiscal year 2014, $17,000 of the general fund--state appropriation for fiscal year 2015, and $50,000 of the general fund--federal appropriation are provided solely for staffing and other expenses associated with the work of the joint legislative executive committee on planning for aging and disability issues that is established by this subsection.

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

(i) Four members of the senate, with the leaders of the two largest caucuses each appointing two members. Four members of the house of representatives, with the leaders of the two largest caucuses each appointing two members;

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

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

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

(v) The director of the department of retirement systems or his or her designee.

(b) The committee must convene by September 1, 2013. At the first meeting, the committee will select cochairs from among its members who are legislators. All meetings of the committee are open to the public.

(c) The purpose of the committee is to identify key strategic actions to prepare for the aging of the population in Washington, including state budget and policy options, by conducting at least, but not limited to, the following tasks:

(i) Establish a profile of Washington's current population of older people and people with disabilities and a projection of population growth through 2030;

(ii) Establish an inventory of services and supports currently available to older people and people with disabilities from the health care and long-term services and support systems and other community resources such as housing, transportation, income support, and protection for vulnerable adults;

(iii) Identify state budget and policy options to more effectively use state, federal and private resources to, over time, reduce the growth rate in state expenditures that would otherwise occur by continuing current policy in light of significant population growth;

(iv) Identify strategies to better serve the health care needs of an aging population and people with disabilities, and promote healthy living;

(v) Identify policy options to create financing mechanisms for long-term services and supports that will promote additional private responsibility for individuals and families to meet their needs for service;

(vi) Identify policies to promote financial security in retirement, support people who wish to stay in the workplace longer, and expand the availability of workplace retirement savings plans; and

(vii) Identify policy options to help communities adapt to the aging demographic in planning for housing, land use and transportation.

(d) The committee shall consult with the office of the insurance commissioner, the caseload forecast council, health care authority, and other appropriate entities with specialized knowledge of the needs and growth trends of the aging population and people with disabilities.

(e) Staff support for the committee shall be provided by the office of program research, senate committee services, the office of financial management, and the department of social and health services.

(f) Within existing appropriations, the cost of meetings must be paid jointly by the senate, house of representatives, and the office of financial management. Joint committee expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees. The joint committee members may be reimbursed for travel expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter 44.04 RCW as appropriate. Advisory committee members may not receive compensation or reimbursement for travel and expenses.

(g) The committee shall issue an interim report to the legislature by December 10, 2013, and issue final recommendations to the governor and relevant standing committees of the legislature by December 10, 2014.

(12) $240,000 of the general fund--state appropriation for fiscal year 2014, $1,342,000 of the general fund--state appropriation for fiscal year 2015, and $1,468,000 of the general fund--federal appropriation are provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

(13) The department shall review the capital add-on rate established by RCW 74.39A.320 for effectiveness in incentivizing assisted living facilities to serve Medicaid eligible clients. Upon completing its review, the department shall submit its findings along with recommendations for alternatives to the office of financial management and the fiscal committees of the legislature by December 1, 2013. The department is encouraged to engage stakeholders in developing alternatives.

(14) $239,000 of the general fund--state appropriation for fiscal year 2014, $160,000 of the general fund--state appropriation for fiscal year 2015, and $398,000 of the general fund--federal appropriation are provided solely to implement chapter 300, Laws of 2013 (SSB 5630).

(15) $237,000 of the general fund--federal appropriation and $236,000 of the general fund--local appropriation are provided solely to implement Second Substitute House Bill No. 1574 (residential services and supports). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse. In accordance with Second Substitute House Bill No. 1574, the department is authorized to increase supported living fees as necessary to support the actual costs of conducting the certification, inspection, and regulatory programs. The certification fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the certification fee attributed to medicaid clients. The annual certification fee for supported living shall be $128 per client beginning in fiscal year 2015.

(16) $3,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to implement Substitute House Bill No. 2310 (provider safety equipment). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(17) $296,000 of the general fund--state appropriation for fiscal year 2015, and $296,000 of the general fund--federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 2746 (medicaid personal care). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(18) $500,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the department to contract for an independent feasibility study and actuarial modeling of public and private options for leveraging private resources to help individuals prepare for long-term services and supports needs. The study should model at least three options, including a public long-term care insurance benefit funded through a payroll deduction that would provide a time-limited long-term care insurance benefit, regulatory changes necessary to encourage the development and growth of new products on the market that combine features of life insurance, long-term care insurance and annuities or medicaid life settlements, and a public- private option such as facilitating a new marketplace through the Washington health plan finder for private long-term care insurance policies that would provide a time-limited benefit, an age defined individual mandate for purchasing these policies and subsidies to ensure affordability for lower-income individuals. The report should include an evaluation of each option based on (a) the expected costs and benefits for participants, (b) the total anticipated number of participants, and (c) the projected savings to the state medicaid program. The aging and disability joint legislative executive committee shall provide oversight and direction for this analysis and will convene interested stakeholders to provide input on the study design. The department shall provide a report on its findings and recommendations to the relevant policy and fiscal committees of the legislature by November 1, 2014.

(19) $15,000 of the general fund--state appropriation for fiscal year 2015 and $15,000 of the general fund--federal appropriation are provided solely to implement Substitute House Bill No. 2634 (residential enforcement standards). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(20) $5,094,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for services and support to individuals who are

deaf, hard of hearing, or deaf-blind.

(21) The department may authorize a one-time waiver of all or any portion of the licensing and processing fees required under RCW 70.128.060 in any case in which the department determines that an adult family home is being relicensed because of exceptional circumstances, such as death or incapacity of a provider, and that to require the full payment of the licensing and processing fees would present a hardship to the applicant.

(22) It is the intent of the legislature to use savings from the community first choice option to make needed investments in home and community-based services for seniors and people with disabilities, including potential investments recommended by the joint legislative executive committee on aging and disability and the development and implementation council that the department of social and health services must convene prior to submitting the proposed community first choice option to the centers for medicare and medicaid services. At a minimum, the final report to the legislature from the joint legislative executive committee on aging and disability must explore the cost and benefit of rate enhancements for providers of long-term services and supports, restoration of hours for in-home clients, additional investment in the family caregiver support program, and additional investment in the individual and family services program or other medicaid services to support individuals with developmental disabilities.

Sec. 207. 2013 2nd sp.s. c 4 s 207 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM

General Fund--State Appropriation (FY 2014) ..... ((~~$402,504,000~~)) $377,188,000

General Fund--State Appropriation (FY 2015) ..... ((~~$405,019,000~~)) $392,445,000

General Fund--Federal Appropriation ..... ((~~$1,211,774,000~~)) $1,235,336,000

General Fund--Private/Local Appropriation ..... ((~~$30,594,000~~)) $36,450,000

TOTAL APPROPRIATION ..... ((~~$2,049,891,000~~)) $2,041,419,000

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

(1)(a) ((~~$178,757,000~~)) $154,439,000 of the general fund--state appropriation for fiscal year 2014, ((~~$172,999,000~~)) $154,241,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$732,881,000~~)) $771,147,000 of the general fund--federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. The department must create a WorkFirst budget structure that allows for transparent tracking of budget units and subunits of expenditures where these units and subunits are mutually exclusive from other department budget units. The budget structure must include budget units for the following: Cash assistance, child care, WorkFirst activities, and administration of the program. Within these budget units, the department must develop program index codes for specific activities and develop allotments and track expenditures using these codes. The department shall report to the office of financial management and the relevant fiscal and policy committees of the legislature prior to adopting the new structure. The secretary of the department of social and health services, working with WorkFirst partner agencies and in collaboration with the WorkFirst oversight task force, shall develop a plan for maximizing the following outcomes and shall report back to the legislature by November 1, 2013. The outcomes to be measured are: (i) Increased employment; (ii) completion of education or post-secondary training; (iii) completion of barrier removal activity including drug and alcohol or mental health treatment; (iv) housing stability; (v) child care or education stability for the children of temporary assistance for needy families recipients; (vi) reduced rate of return after exit from the WorkFirst program; and (vii) work participation requirements.

(b) ((~~$406,818,000~~)) $374,937,000 of the amounts in (a) of this subsection are provided solely for assistance to clients, including grants, diversion cash assistance, and additional diversion emergency assistance including but not limited to assistance authorized under RCW 74.08A.210. The department may use state funds to provide support to working families that are eligible for temporary assistance for needy families but otherwise not receiving cash assistance. Within these amounts, funding is for implementation of House Bill No. 2585 (TANF benefits for a child).

(c) ((~~$168,019,000~~)) $179,529,000 of the amounts in (a) of this subsection are provided solely for WorkFirst job search, education and training activities, barrier removal services, limited English proficiency services, and tribal assistance under RCW 74.08A.040. The department must allocate this funding based on client outcomes and cost effectiveness measures.

(d) ((~~$367,676,000~~)) $354,360,000 of the amounts in (a) of this subsection are provided solely for the working connections child care program under RCW 43.215.135.

(e) ((~~$142,124,000~~)) $170,999,000 of the amounts in (a) of this subsection are provided solely for WorkFirst and working connections child care administration and overhead.

(f) The amounts in (b) through (d) of this subsection shall be expended for the programs and in the amounts specified. However, the department may transfer up to 10 percent of funding between (b) through (d) of this subsection, but only if the funding is available or necessary to transfer solely due to utilization, caseload changes, or underperformance in terms of client outcomes. The department shall provide notification prior to any transfer to the office of financial management and to the appropriate legislative committees and the legislative-executive WorkFirst oversight task force. The approval of the director of financial management is required prior to any transfer under this subsection.

(2) $1,657,000 of the general fund--state appropriation for fiscal year 2014 and $1,657,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for naturalization services.

(3) $2,366,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for employment services for refugees and immigrants, of which $1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services; and $2,366,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for employment services for refugees and immigrants, of which $1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services.

(4) On December 1, 2013, and annually thereafter, the department must report to the legislature on all sources of funding available for both refugee and immigrant services and naturalization services during the current fiscal year and the amounts expended to date by service type and funding source. The report must also include the number of clients served and outcome data for the clients.

(5) To ensure expenditures remain within available funds appropriated in this section, the legislature establishes the benefit under the state food assistance program, pursuant to RCW 74.08A.120, to be no less than seventy-five percent of the federal supplemental nutrition assistance program benefit amount.

(6) $18,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of section 1, chapter 337, Laws of 2013 (2SSB 5595).

(7) $4,729,000 of the general fund--state appropriation for fiscal year 2014 and $4,729,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of the telephone assistance program and the Washington information network 211 organization pursuant to Substitute House Bill No. 1971 (communication services). Of these funds, $500,000 of the general fund--state appropriation for fiscal year 2014 and $500,000 of the general fund-- state appropriation for fiscal year 2015 are provided solely for operational support of the Washington information network 211 organization. If Substitute House Bill No. 1971 (communication services) is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(8) The department shall review clients receiving services through the aged, blind, or disabled assistance program, to determine whether they would benefit from assistance in becoming naturalized citizens, and thus be eligible to receive federal supplemental security income benefits. Those cases shall be given high priority for naturalization funding through the department.

(9) The department shall continue the interagency agreement with the department of veterans' affairs to establish a process for referral of veterans who may be eligible for veterans' services. This agreement must include out-stationing department of veterans' affairs staff in selected community service office locations in King and Pierce counties to facilitate applications for veterans' services.

(10) $500,000 of the general fund--state appropriation for fiscal year 2014 and $1,500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Substitute House Bill No. 2069 (safety net benefits). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(11) $65,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for 211 call system networks in the eastern Washington region and the peninsula region.

Sec. 208. 2013 2nd sp.s. c 4 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM

General Fund--State Appropriation (FY 2014) ..... ((~~$72,650,000~~))
$73,021,000

General Fund--State Appropriation (FY 2015) ..... ((~~$61,855,000~~))
$63,567,000

General Fund--Federal Appropriation ..... ((~~$277,248,000~~))
$279,072,000

General Fund--Private/Local Appropriation..... ((~~$13,554,000~~))
$16,316,000

Criminal Justice Treatment Account--State
Appropriation ..... ((~~$14,568,000~~))
$14,285,000

Problem Gambling Account--State Appropriation..... $1,450,000

TOTAL APPROPRIATION..... ((~~$441,325,000~~))
$447,711,000

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

(1) Within the amounts appropriated in this section, the department may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program or other specialized chemical dependency case management providers for pregnant, post-partum, and parenting women. For all contractors: (a) Service and other outcome data must be provided to the department by request; (b) program modifications needed to maximize access to federal medicaid matching funds will be phased in over the course of the 2013-2015 fiscal biennium; and (c) indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) Within the amounts appropriated in this section, the department shall continue to provide for chemical dependency treatment services for adult medicaid eligible, pregnant and parenting women, disability lifeline, and alcoholism and drug addiction treatment and support act, and medical care services clients.

(3) In accordance with RCW 70.96A.090 and 43.135.055, the department is authorized to adopt fees for the review and approval of treatment programs in fiscal years 2014 and 2015 as necessary to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

(4) $3,500,000 of the general fund--federal appropriation (from the substance abuse prevention and treatment federal block grant) is provided solely for the continued funding of existing county drug and alcohol use prevention programs.

(5) $2,600,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the department to transition 128 beds from settings that are considered institutions for mental diseases to facilities with no more than 16 beds that are able to claim federal match for services provided to medicaid clients or individuals covered under the department's section 1115 medicaid waiver. The department may conduct a request for proposal process to fulfill this requirement and adopt rates that are comparable to the pilot projects implemented in the 2011-13 fiscal biennium. The department may use these funds to assist with the costs of providers in setting up or converting to 16- bed facilities. This funding

may also be used for providers that are developing new capacity for clients who will become eligible for services under the affordable care act medicaid expansion. The number of beds available for pregnant and parenting women must not be reduced.

(6) $283,000 of the ((~~criminal justice treatment account~~)) general fund--state appropriation is provided solely for transitional funding for the family drug court in Pierce county.

(7) Within the amounts appropriated in this section, the department shall review differential rates paid for alcohol and substance abuse assessment and treatment services for medicaid and nonmedicaid clients and the impact to providers as previously uninsured clients become eligible for services through the medicaid expansion under the federal patient protection and affordable care act. By December 1, 2014, the department must submit a report to the legislature which provides: (a) The estimated impact on providers for each type of medicaid reimbursable service as newly eligible clients shift from nonmedicaid to medicaid rates; (b) identification of which types of providers will be most significantly impacted by these shifts; (c) identification of the estimated annual costs for increasing rates for each level of service; and (d) a summary of federal requirements that must be considered in determining how any future rate increase must be implemented.

Sec. 209. 2013 2nd sp.s. c 4 s 209 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL REHABILITATION PROGRAM

General Fund--State Appropriation (FY 2014) ..... ((~~$16,478,000~~)) $16,568,000

General Fund--State Appropriation (FY 2015) ..... ((~~$16,459,000~~)) $11,477,000

General Fund--Federal Appropriation ..... ((~~$99,413,000~~)) $99,397,000

TOTAL APPROPRIATION ..... ((~~$132,350,000~~)) $127,442,000

The appropriations in this section are subject to the following conditions and limitations: $5,006,000 of the general fund--state appropriation for fiscal year 2014 ((~~and $5,094,000 of the general fund--state appropriation for fiscal year 2015 are~~)) is provided solely for services and support to individuals who are deaf, hard of hearing, or deaf-blind.

Sec. 210. 2013 2nd sp.s. c 4 s 210 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT PROGRAM

General Fund--State Appropriation (FY 2014) ..... ((~~$36,420,000~~)) $37,796,000

General Fund--State Appropriation (FY 2015) ..... ((~~$35,813,000~~)) $37,017,000

TOTAL APPROPRIATION ..... ((~~$72,233,000~~)) $74,813,000

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

(1) The department of social and health services shall transfer the stewardship of McNeil Island to the department of corrections industries program, effective September 1, 2013. The transferred responsibilities shall include marine operations, waste water treatment, water treatment, road maintenance, and any other general island maintenance that is not site specific to the operations of the special commitment center or the Pierce county secure community transition facility. Facility maintenance within the perimeter of the special commitment center shall remain the responsibility of the department of social and health services. Capital repairs and maintenance necessary to maintain the special commitment center on McNeil Island shall be managed by the department of social and health services. The legislature directs both departments to enter into an interagency agreement by August 1, 2013. The office of financial management shall oversee the negotiations of the interagency agreement. The interagency agreement must describe equipment that will transfer between the departments, warehouse space that will be shared by the departments, and occupancy requirements for any shops outside the perimeter of the special commitment center. The office of financial management will make the final determination on any disagreements between the departments on the details of the interagency agreement.

(2) ((~~$3,120,000~~)) $3,042,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$3,120,000~~)) $3,024,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for operational costs specific to island operations of the special commitment center and the Pierce county secure community transition facility. The department shall establish an accounting structure that enables it to track and report on costs specific to island operations.

(3) All employees of the department of social and health services engaged in performing the powers, functions, and duties transferred to the department of corrections industries program under this subsection, are transferred to the department of corrections.

(4) All classified employees of the department of social and health services assigned to the department of corrections under this subsection whose positions are within an existing bargaining unit description at the department of corrections shall become a part of the existing bargaining unit at the department of corrections and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

(5) By November 1, 2014, the department of social and health services shall provide a report to the office of financial management and the appropriate fiscal and policy committees of the legislature that evaluates the department's costs for certain medical and pharmacy costs for its residents within the special commitment center. The department as part of its evaluation shall consult with the health care authority, the health benefits exchange, and the department of corrections. At a minimum, the report should look at the following items: (a) Obtaining medicaid eligibility for residents; (b) feasibility of obtaining insurance for residents through the health benefit exchange; (c) utilizing multistate consortiums for the purchase of pharmaceuticals to reduce costs; and (d) consolidating contracts for medical inpatient and outpatient services with western state hospital.

Sec. 211. 2013 2nd sp.s. c 4 s 211 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM

General Fund--State Appropriation (FY 2014) ..... ((~~$30,127,000~~))

$29,773,000
General Fund--State Appropriation (FY 2015) ..... ((~~$29,333,000~~))
$28,989,000
General Fund--Federal Appropriation ..... ((~~$37,150,000~~))
$37,157,000
General Fund--Private/Local Appropriation..... $654,000
TOTAL APPROPRIATION..... ((~~$97,264,000~~))
$96,573,000

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

(1) $395,000 of the general fund--state appropriation for fiscal year 2014, $228,000 of the general fund--state appropriation for fiscal year 2015, and $335,000 of the general fund--federal appropriation are provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

(2) $300,000 of the general fund--state appropriation for fiscal year 2014 and $300,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state mentors program to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

(3) $82,000 of the general fund--state appropriation for fiscal year 2014, $44,000 of the general fund--state appropriation for fiscal year 2015, and $28,000 of the general fund--federal appropriation are provided solely to develop a report on state efforts to prevent and control diabetes. The department, the health care authority, and the department of health shall submit a coordinated report to the governor and the appropriate committees of the legislature by December 31, 2014, on the following:

(a) The financial impacts and reach that diabetes of all types and undiagnosed gestational diabetes are having on the programs administered by each agency and individuals, including children with mothers with undiagnosed gestational diabetes, enrolled in those programs. Items in this assessment must include: (i) The number of lives with diabetes and undiagnosed gestational diabetes impacted or covered by the programs administered by each agency; (ii) the number of lives with diabetes, or at risk for diabetes, and family members impacted by prevention and diabetes control programs implemented by each agency; (iii) the financial toll or impact diabetes and its complications, and undiagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs in comparison to other chronic diseases and conditions; and (iv) the financial toll or impact diabetes and its complications, and diagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs;

(b) An assessment of the benefits of implemented and existing programs and activities aimed at controlling all types of diabetes and preventing the disease. This assessment must also document the amount and source for any funding directed to each agency for the programs and activities aimed at reaching those with diabetes of all types;

(c) A description of the level of coordination existing between the agencies on activities, programmatic activities, and messaging on managing, treating, or preventing all types of diabetes and its complications;

(d) The development or revision of detailed policy-related action plans and budget recommendations for battling diabetes and undiagnosed gestational diabetes that includes a range of actionable items for consideration by the legislature. The plans and budget recommendations must identify proposed action steps to reduce the impact of diabetes, prediabetes, related diabetes complications, and undiagnosed gestational diabetes. The plans and budget recommendations must also identify expected outcomes of the action steps proposed in the following biennium while also establishing benchmarks for controlling and preventing all types of diabetes; and

(e) An estimate of savings, efficiencies, costs, and budgetary savings and resources required to implement the plans and budget recommendations identified in (d) of this subsection (5).

Sec. 212. 2013 2nd sp.s. c 4 s 212 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM

General Fund--State Appropriation (FY 2014) ..... ((~~$60,470,000~~))
$62,399,000
General Fund--State Appropriation (FY 2015) ..... ((~~$60,511,000~~))
$63,540,000
General Fund--Federal Appropriation ..... ((~~$55,264,000~~))
$57,061,000
TOTAL APPROPRIATION..... ((~~$176,245,000~~))
$183,000,000

Sec. 213. 2013 2nd sp.s. c 4 s 213 (uncodified) is amended to read as follows:

FOR THE STATE HEALTH CARE AUTHORITY

General Fund--State Appropriation (FY 2014) ..... ((~~$2,131,026,000~~))
$2,145,141,000
General Fund--State Appropriation (FY 2015) ..... ((~~$2,114,731,000~~))
$2,164,368,000
General Fund--Federal Appropriation ..... ((~~$7,245,749,000~~))
$7,906,018,000
General Fund--Private/Local Appropriation..... ((~~$57,780,000~~))
$56,407,000
Emergency Medical Services and Trauma Care Systems
Trust Account--State Appropriation..... $15,082,000
Hospital Safety Net Assessment Fund--State
Appropriation $669,381,000
Health Benefit Exchange Account--State Appropriation ..... ((~~$17,277,000~~))
$16,207,000

State Health Care Authority Administration Account--
State Appropriation ..... ((~~$34,809,000~~)) $31,463,000
Medical Aid Account--State Appropriation $528,000
Medicaid Fraud Penalty Account--State Appropriation $21,206,000
TOTAL APPROPRIATION ..... ((~~$12,307,569,000~~)) $13,025,801,000

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

(1) ((~~$1,143,994,000~~)) $1,900,484,000 of the general fund--federal appropriation is provided solely to implement the medicaid expansion as defined in the social security act, section 1902(a)(10)(A)(i)(VIII), subject to the conditions and limitations in this subsection. If the federal medical assistance percentage for the medicaid expansion falls below the percentages in section 1905(y) of the social security act as of July 1, 2013, the authority shall ensure that the state does not incur any additional state costs above what would have been incurred had the federal medical assistance percentages remained at the percentages in section 1905(y) as of July 1, 2013. The director is authorized to make any necessary program adjustments to comply with this requirement, including adding or adjusting premiums, modifying benefits, or reducing optional programs. To the extent a waiver is needed to accomplish this, the director shall promptly apply for such waiver. If a necessary waiver is not approved, the medicaid expansion program shall be terminated upon appropriate notification to the legislature and enrollees.

(2) The requirements of this subsection apply to the basic health plan. This subsection is null and void and has no further effect upon implementation of the medicaid expansion under subsection (1) of this section.

(a) Within amounts appropriated in this section and sections 205 and 206 of this act, the health care authority shall continue to provide an enhanced basic health plan subsidy for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents eligible to participate in the basic health plan as subsidized enrollees and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at the minimum premium amount charged to enrollees with incomes below sixty-five percent of the federal poverty level.

(b) The health care authority shall require organizations and individuals that are paid to deliver basic health plan services and that choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

(c) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or (ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

(d) Enrollment in the subsidized basic health plan shall be limited to only include persons who qualify as subsidized enrollees as defined in RCW 70.47.020 and who (a) qualify for services under 1115 medicaid demonstration project number 11-W-00254/10; or (b) are foster parents licensed under chapter 74.15 RCW.

(3) The legislature finds that medicaid payment rates, as calculated by the health care authority pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that the cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(4) Based on quarterly expenditure reports and caseload forecasts, if the health care authority estimates that expenditures for the medical assistance program will exceed the appropriations, the health care authority shall take steps including but not limited to reduction of rates or elimination of optional services to reduce expenditures so that total program costs do not exceed the annual appropriation authority.

(5) In determining financial eligibility for medicaid-funded services, the health care authority is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(6) The legislature affirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

(7) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the health care authority shall provide the person with the same benefits as he or she would receive if eligible for medicaid, using state-only funds to the extent necessary.

(8) $4,261,000 of the general fund--state appropriation for fiscal year 2014, $4,261,000 of the general fund--state appropriation for fiscal year 2015, and $8,522,000 of the general fund--federal appropriation are provided solely for low-income disproportionate share hospital payments.

(9) $400,000 of the general fund--state appropriation for fiscal year 2014, ((~~$400,000~~)) $200,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$800,000~~)) $600,000 of the general fund--federal appropriation are provided solely for disproportionate share hospital payments to rural hospitals certified by the centers for medicare and medicaid services as sole community hospitals as of January 1, 2013, with less than one hundred fifty acute care licensed beds in fiscal year 2011 that do not participate in the certified public expenditures program. The authority shall discontinue these payments on January 1, 2015.

(10) $100,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$100,000~~)) $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for grants to rural hospitals in Clallam county that were certified by the centers for medicare and medicaid services as sole community hospitals as of January 1, 2013, with less than one hundred fifty acute care licensed beds in fiscal year 2011. The authority shall discontinue these payments on January 1, 2015.

(11) Within the amounts appropriated in this section, the health care authority shall provide disproportionate share hospital payments to hospitals that provide services to children in the children's health program who are not eligible for services under Title XIX or XXI of the federal social security act due to their citizenship status.

(12) $6,000,000 of the general fund--federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments. The supplemental payments are subject to retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the health care authority's discretion. During either the interim cost settlement or the final cost settlement, the health care authority shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or the medicare upper payment limit. The health care authority shall apply federal rules for identifying the eligible incurred medicaid costs and the medicare upper payment limit.

(13) The health care authority shall continue the inpatient hospital certified public expenditures program for the 2013-2015 fiscal biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The health care authority shall submit reports to the governor and legislature by November 1, 2013, and by November 1, 2014, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the health care authority shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2014 and fiscal year 2015, hospitals in the program shall be paid and shall retain one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance and one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount. The baseline amount will be determined by the total of (a) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program based on the reimbursement rates developed, implemented, and consistent with policies approved in the 2013-2015 biennial operating appropriations act and in effect on July 1, 2013, (b) one-half of the indigent assistance disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005, and (c) all of the other disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 to the extent the same disproportionate share hospital programs exist in the 2013-2015 fiscal biennium. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. ((~~$3,860,000~~)) $11,928,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$1,137,000~~)) $14,821,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for state grants for the participating hospitals.

(14) The health care authority shall seek public-private partnerships and federal funds that are or may become available to provide on-going support for outreach and education efforts under the federal children's health insurance program reauthorization act of 2009.

(15) The health care authority shall target funding for maternity support services towards pregnant women with factors that lead to higher rates of poor birth outcomes, including hypertension, a preterm or low birth weight birth in the most recent previous birth, a cognitive deficit or developmental disability, substance abuse, severe mental illness, unhealthy weight or failure to gain weight, tobacco use, or African American or Native American race. The health care authority shall prioritize evidence-based practices for delivery of maternity support services. To the extent practicable, the health care authority shall develop a mechanism to increase federal funding for maternity support services by leveraging local public funding for those services.

(16) $170,000 of the general fund--state appropriation for fiscal year 2014, $121,000 of the general fund--state appropriation for fiscal year 2015, and $292,000 of the general fund--federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 1519 (service coordination organizations) and Second Substitute Senate Bill No. 5732 (behavioral health services). If neither of the bills is enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(17) $57,000 of the general fund--state appropriation for fiscal year 2014, $40,000 of the general fund--state appropriation for fiscal year 2015, and $55,000 of the general fund--federal appropriation are provided solely to develop a report on state efforts to prevent and control diabetes. The authority, the department of social and health services, and the department of health shall submit a coordinated report to the governor and the appropriate committees of the legislature by December 31, 2014, on the following:

(a) The financial impacts and reach that diabetes of all types and undiagnosed gestational diabetes are having on the programs administered by each agency and individuals, including children with mothers with undiagnosed gestational diabetes, enrolled in those programs. Items in this assessment must include: (i) The number of lives with diabetes and undiagnosed gestational diabetes impacted or covered by the programs administered by each agency; (ii) the number of lives with diabetes, or at risk for diabetes, and family members impacted by prevention and diabetes control programs implemented by each agency; (iii) the financial toll or impact diabetes and its complications, and undiagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs in comparison to other chronic diseases and conditions; and (iv) the financial toll or impact diabetes and its complications, and diagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs;

(b) An assessment of the benefits of implemented and existing programs and activities aimed at controlling all types of diabetes and preventing the disease. This assessment must also document the amount and source for any funding directed to each agency for the programs and activities aimed at reaching those with diabetes of all types;

(c) A description of the level of coordination existing between the agencies on activities, programmatic activities, and messaging on managing, treating, or preventing all types of diabetes and its complications;

(d) The development or revision of detailed policy-related action plans and budget recommendations for battling diabetes and undiagnosed gestational diabetes that includes a range of actionable items for consideration by the legislature. The plans and budget recommendations must identify proposed action steps to reduce the impact of diabetes, prediabetes, related diabetes complications, and undiagnosed gestational diabetes. The plans and budget recommendations must also identify expected outcomes of the action steps proposed in the following biennium while also establishing benchmarks for controlling and preventing all types of diabetes; and

(e) An estimate of savings, efficiencies, costs, and budgetary savings and resources required to implement the plans and budget recommendations identified in (d) of this subsection (17).

(18) Within the amounts appropriated in this section, the authority shall identify strategies to improve patient adherence to treatment plans for diabetes and implement these strategies as a pilot through one health home program to be identified by the authority. The authority shall report to the governor and the legislature in December 2014 on the progress of strategy implementation. The authority shall report to the governor and legislature in December 2015 on patient outcomes and cost savings derived from new adherence strategies in the health home model and make recommendations for improving the strategies.

(19) Effective January 1, 2014, managed care contracts must incorporate accountability measures that monitor patient health and improved health outcomes, and shall include an expectation that each patient receive a wellness examination that documents the baseline health status and allows for monitoring of health improvements and outcome measures.

(20) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--federal appropriation are provided solely for the development of recommendations for funding integrated school nursing and outreach services. The authority shall collaborate with the office of the superintendent of public instruction to develop recommendations for increasing federal financial participation for providing nursing services in schools with the goals of integrating nursing and outreach services and supporting one nurse for every four hundred fifty students in elementary schools and one nurse for every seven hundred fifty students in secondary schools. In developing these recommendations, the authority shall inquire with the federal centers for medicare and medicaid services about state plan amendment or waiver options for receiving additional federal matching funds for school nursing services provided to children enrolled in apple health for kids. The recommendations shall include proposals for funding training and reimbursement for nurses that provide outreach services to help eligible students enroll in apple health for kids and other social services programs. The authority and the office of the superintendent of public instruction shall provide these recommendations to the governor and the legislature by December 1, 2013.

(21) $430,000 of the general fund--state appropriation for fiscal year 2014 and $500,000 of the general fund--federal appropriation are provided solely to complete grant requirements for the health information exchange.

(22) $143,000 of the medicaid fraud penalty account--state appropriation and $423,000 of the general fund--federal appropriation are provided solely for the rebasing of outpatient and inpatient payment methods.

(23) $1,163,000 of the medicaid fraud penalty account--state appropriation and $9,710,000 of the general fund--federal appropriation are provided solely to implement the conversion to the tenth version of the world health organization's international classification of diseases.

(24) $111,000 of the general fund--state appropriation for fiscal year 2014, $35,000 of the general fund--state appropriation for fiscal year 2015, and $359,000 of the general fund--federal appropriation are provided solely to update the medicaid information technology architecture state self-assessment and to develop the five year road map for the medicaid information technology architecture architect.

(25) $62,000 of the general fund--state appropriation for fiscal year 2014, $62,000 of the general fund--state appropriation for fiscal year 2015, and $126,000 of the general fund--federal appropriation are provided solely to support the Robert Bree collaborative's efforts to disseminate evidence-based best practices for preventing and treating health problems.

(26) Within the amounts appropriated in this section, the authority shall increase reimbursement rates for primary care services provided by independent nurse practitioners to medicare levels for the period from July 1, 2013, to December 31, 2014.

(27) The authority shall seek a medicaid state plan amendment to create a professional services supplemental payment managed care program for professional services delivered to managed care recipients by University of Washington medicine and other public professional providers. This program shall be effective as soon as administratively possible and shall operate concurrently with the existing professional services supplemental payment program. The authority shall apply federal rules for identifying the difference between average commercial rates and fee-for-service medicaid payments. This difference will be multiplied by the number of managed care encounters and incorporated into the managed care plan capitation rates by a certified actuary. The managed care plans will pay the providers the difference attributable to the increased capitation rate. Participating providers shall be solely responsible for providing the local funds required to obtain federal matching funds. Any incremental costs incurred by the authority in the development, implementation, and maintenance of this program shall be the responsibility of the participating providers. Participating providers shall retain the full amount of supplemental payments provided under this program, net of any costs related to the program that are disallowed due to audits or litigation against the state.

(28) Sufficient amounts are appropriated in this section for the authority to provide an adult dental benefit beginning January 1, 2014.

(29) To the extent allowed under federal law, the authority shall require an adult client to enroll in full medicaid coverage instead of family planning-only coverage unless the client is at risk of domestic violence.

(30) The authority shall facilitate enrollment under the medicaid expansion for clients applying for or receiving state funded services from the authority and its contractors. Prior to open enrollment, the authority shall coordinate with the department of social and health services to provide referrals to the Washington health benefit exchange for clients that will be ineligible for the medicaid expansion but are enrolled in coverage that will be eliminated in the transition to the medicaid expansion.

(31) $90,000 of the general fund--state appropriation for fiscal year 2014, $90,000 of the general fund--state appropriation for fiscal year 2015, and $180,000 of the general fund--federal appropriation are provided solely to continue operation by a nonprofit organization of a toll-free hotline that assists families to learn about and enroll in the apple health for kids program.

(32) Within the amounts appropriated in this section, the authority shall reduce premiums for children with family incomes above 200 percent of the federal poverty level in the state-funded children's health program who are not eligible for coverage under the federal children's health insurance program. Premiums in the state and federal children's health insurance program shall be equal.

(33) The appropriations in this section reflect savings and efficiencies by transferring children receiving medical care provided through fee-for-service to medical care provided through managed care.

(34) $150,000 of the general fund--state appropriation for fiscal year 2014, $436,000 of the general fund--state appropriation for fiscal year 2015, and $170,561,000 of the general fund--federal appropriation are provided solely for the provider incentive program and other initiatives related to the health information technology medicaid plan.

((~~(37) $1,531,000~~)) (35) $1,528,000 of the general fund--state appropriation for fiscal year 2014, ((~~$280,000~~)) $2,206,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$10,803,000~~)) $17,912,000 of the general fund--federal appropriation are provided solely to implement phase two of the project to create a single provider payment system that consolidates medicaid medical and social services payments and replaces the social service payment system. The amounts provided in this subsection are conditioned on the authority satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

((~~(38)~~)) (36) Within the amounts appropriated in this section, the health care authority and the department of social and health services shall implement the state option to provide health homes for enrollees with chronic conditions under section 2703 of the federal affordable care act. The total state match for enrollees who are dually-eligible for both medicare and medicaid and not enrolled in managed care shall be no more than the net savings to the state from the enhanced match rate for its medicaid-only managed care enrollees under section 2703.

((~~(39)~~)) (37) The health care authority shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The health care authority may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the health care authority receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

((~~(40)~~)) (38) Within the amounts appropriated in this section, the authority shall reimburse for primary care services provided by naturopathic physicians.

((~~(41)~~)) (39) Within amounts appropriated, the health care authority shall conduct a review of its management and staffing structure to identify efficiencies and opportunities to reduce full time equivalent employees and other administrative costs. A report summarizing the review and the authority's recommendations to reduce costs and full time equivalent employees must be submitted to the governor and legislature by November 1, 2013.

((~~(42) $17,279,000~~)) (40) $16,209,000 of the health benefit exchange account--state appropriation and ((~~$2,721,000~~)) $3,791,000 of the general fund--federal appropriation are provided solely to support the operations of the Washington health benefit exchange from January 1, 2015, to June 30, 2015. The Washington state health insurance pool administrator shall transfer $20,838,000 of pool contributions to the treasurer for deposit into the health benefit exchange account in calendar year 2014. The receipt and use of medicaid funds provided to the health benefit exchange from the health care authority are subject to compliance with state and federal regulations and policies governing the Washington apple health programs, including timely and proper application, eligibility, and enrollment procedures.

((~~(43)~~)) (41) Within the amounts appropriated in this section, the authority shall continue to provide coverage after December 31, 2013, for pregnant teens that qualify under existing pregnancy medical programs, but whose eligibility for pregnancy related services would otherwise end due to the application of the new modified adjusted gross income eligibility standard.

((~~(44)~~)) (42) ((~~Upon implementation of the medicaid expansion under subsection (1) of this section, the breast and cervical cancer treatment program is eliminated. To maintain continuity of coverage, the authority shall offer the option to stay in a fee-for-service program to clients that are already enrolled in the breast and cervical cancer treatment program and will be transitioned into the new adult group upon implementation of the medicaid expansion. The authority will continue to provide coverage to clients that are already enrolled in the breast and cervical cancer treatment program at the time of program elimination until their courses of treatment are completed~~)) Sufficient amounts are appropriated in this section to restore medicaid coverage under the breast and cervical cancer treatment program.

((~~(45)~~)) (43) $40,000 of the general fund--state appropriation for fiscal year 2014 and $40,000 of the general fund--federal appropriation are provided solely for the authority to create a new position to provide adequate oversight and assistance to managed care organizations, rural health clinics, and federally qualified health centers under a new administratively streamlined payment methodology. Effective July 1, 2013, or upon obtaining any necessary federal approval, but in no case during the first quarter of a calendar year, the authority shall implement an administratively streamlined payment methodology for federally qualified health centers and rural health clinics. The authority's payments to managed care organizations shall include the full encounter payment comprised of both the standard and enhancement payments for federally qualified health centers and rural health clinics as defined in the medicaid state plan and in accordance with section 1902(bb) of the social security act (42 U.S.C. 1396a(bb)). At no time will a managed care organization be at risk for or have any claim to the supplemental payment portion of the rate which will be reconciled to ensure accurate payment and full pass through of the obligated funds. For any services eligible for encounter payments, as defined in the medicaid state plan, managed care organizations shall be required to pay at least the full published encounter rates directly to each clinic or center, and payments will be reconciled on at least an annual basis between the managed care organization and the authority, with final review and approval by the authority. At the option of any clinic, the enhancement payment can be received from the managed care organization on a per member per month basis for all assigned managed care enrollees in an amount prescribed by the authority. Nothing in this section is intended to disrupt mutually agreeable contractual arrangements between managed care organizations and clinics that impact how the standard payment for services is paid. The authority will require participating managed care organizations to reimburse federally qualified health centers and rural health clinics for clean claims in strict adherence to the timeliness of payment standards established under contract and specified for the medicaid fee-for-service program in section 1902(a)(37) of the social security act (42 U.S.C. 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and specified for health carriers in WAC 284-43-321. The authority shall exercise all necessary options under its existing sanctions policy to enforce timely payment of claims. The authority shall ensure necessary staff and resources are identified to actively monitor and enforce the timeliness and accuracy of payments to federally qualified health centers and rural health clinics. By January 1, 2014, and after collaboration with federally qualified health centers, rural health clinics, managed care plans, and the centers for medicare and medicaid services, the authority will produce a report that provides options for a new payment methodology that rewards innovation and outcomes over volume of services delivered, and which maintains the integrity of the rural health clinic and federally qualified health center programs as outlined under federal law. The report will detail necessary federal authority for implementation and provide the benefits and drawbacks of each option.

((~~(46)~~)) (44) $3,605,000 of the general fund--state appropriation for fiscal year 2014 is provided solely to proportionally reduce the amounts that rural health clinics owe the state under the calendar year 2009 recoupment.

((~~(47)~~)) (45) Sufficient amounts are appropriated in this section to remove the mental health visit limit and to provide the shingles vaccine and screening, brief intervention, and referral to treatment benefits that are available in the medicaid alternative benefit plan in the current medicaid benefit plan beginning January 1, 2014. ((~~The authority shall monitor the costs of the habilitative benefit as part of the forecasting process but shall not provide this benefit in the current medicaid benefit plan without a direct appropriation in the omnibus appropriations act.~~

~~(48)~~)) (46) The appropriations in this section reflect savings and efficiencies achieved by modifying dispensing methods of contraceptive drugs. The authority must make arrangements for all medicaid programs offered through managed care plans or fee-for-service programs to require dispensing of contraceptive drugs with a one-year supply provided at one time unless a patient requests a smaller supply or the prescribing physician instructs that the patient must receive a smaller supply. Contracts with managed care plans must allow on-site dispensing of the prescribed contraceptive drugs at family planning clinics. Dispensing practices must follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs.

((~~(49)~~)) (47)(a) $75,000 of the general fund--state appropriation for fiscal year 2014 and $75,000 of the general fund--federal appropriation are provided solely for preparing options with an expert consultant for possible implementation of a targeted premium assistance program and possible implementation of the federal basic health option. $75,000 of the amounts appropriated in this subsection is provided solely for the development of options related to the targeted premium assistance program. The authority shall develop options for a waiver request to the federal centers for medicare and medicaid services to implement a targeted premium assistance program for the expansion adults, identified in section 1902(a)(10)(A)(i)(VIII) of the social security act, with incomes above one hundred percent of the federal poverty level, and for children covered in the children's health insurance program with incomes above two hundred percent of the federal poverty level, with a goal of providing seamless coverage through the health benefit exchange and improving opportunities for families to be covered in the same health plans. The options must include the possibility of applying premiums for individuals and cost-sharing that may exceed the five percent of family income cap under federal law, and the options must include recommendations to make the targeted premium assistance program cost neutral. The authority shall submit a report on the options to the legislature and the governor by January 1, 2014. The authority is encouraged to be creative, use subject matter experts, and exhaust all possible options to achieve cost neutrality. The report shall also include a detailed plan and timeline. $75,000 of the amounts appropriated in this subsection is provided solely for the development of options related to the federal basic health option. The authority shall prepare options for implementing the federal basic health option as federal guidance becomes available. The authority shall submit a report on the options to the legislature and the governor by January 1, 2014, or ninety days following the release of federal guidance. The report must include a comparison of the premiums and cost-sharing under the federal basic health option with the premium assistance options described in this subsection, options for implementing the federal basic health option in combination with a premium assistance program, a detailed fiscal analysis for each coverage approach, including the estimated costs for system design and implementation, and information about impacted populations.

(b) Where possible, the authority shall leverage the same expert consultants to review each proposal and compare and contrast the approaches to ensure seamless coordination with the health benefit exchange.

(c) The authority shall collaborate with the joint select committee on health care oversight in the development of these options.

(48) $229,000 of the general fund--state appropriation for fiscal year 2015 and $195,000 of the general fund--federal appropriation are provided solely to implement Engrossed Second Substitute House Bill No. 2639 (mental health, chemical dependency) and Engrossed Second Substitute House Bill No. 2315 (suicide prevention). If Engrossed Second Substitute House Bill No. 2639 (mental health, chemical dependency) is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(49) $500,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to implement Engrossed Substitute House Bill No. 2594 (federal basic health program). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(50) $604,000 of the general fund--state appropriation for fiscal year 2014, $597,000 of the general fund--state appropriation for fiscal year 2015, and $18,320,000 of the general fund--federal appropriation are provided solely to implement Engrossed Second Substitute House Bill No. 2572 (health care purchasing, delivery). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(51) $306,000 of the general fund--state appropriation for fiscal year 2015 and $306,000 of the general fund--federal appropriation are provided solely to implement Substitute House Bill No. 2310 (provider safety equipment). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(52) The health care authority may contract with any managed health care system to provide medicaid services to the extent that minimum contracting requirements defined by the authority are met for a given region. The authority shall respond to any request to contract from a managed health care system with a written explanation of the preliminary decision within ninety days, with a final decision contingent on successful completion of an onsite readiness review process conducted by the authority. New managed health care systems will only be considered for inclusion during annual contract renewal periods, and requests must be submitted no later than June 1 to be considered for the next contract year. The authority must heavily weigh the benefit of medicaid-exchange alignment in reaching its decision.

(53) The appropriations to the authority in this act shall be expended for the purposes and in the amounts specified in this act. To the extent that appropriations in this section are insufficient to fund actual expenditures in excess of caseload forecasts and utilization assumptions, the authority, after May 1, 2014, may transfer general fund--state appropriations for fiscal year 2014 that are provided solely for a specified purpose. The authority shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(54) Moneys appropriated in this section shall not be used to pay hospital owned physician practices or clinics a higher payment rate than the maximum resource based relative value scale fee rate received by nonhospital owned physician practices or clinics for the same procedure.

(55) By January 1, 2015, the authority shall increase the fee-for- service reimbursement rates for private duty nursing services for medically fragile children, increase fee-for-service rates for home health care services, and add licensed clinical medical social services as covered home health services only to the extent that the authority determines that the provider rate increases and the additional covered services will not increase payment rates under healthy options managed care contracts.

Sec. 214. 2013 2nd sp.s. c 4 s 214 (uncodified) is amended to read as follows:

FOR THE HUMAN RIGHTS COMMISSION

General Fund--State Appropriation (FY 2014) ..... ((~~$2,077,000~~)) $2,059,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,996,000~~)) $2,073,000

General Fund--Federal Appropriation $2,185,000

TOTAL APPROPRIATION ..... ((~~$6,258,000~~)) $6,317,000

The appropriations in this section are subject to the following conditions and limitations: $218,000 of the general fund--federal appropriation is provided for additional financial resources from the U.S. department of housing and urban development for the investigation of discrimination cases involving service animals.

Sec. 215. 2013 2nd sp.s. c 4 s 215 (uncodified) is amended to read as follows:

FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right-to-Know Account--State Appropriation $10,000

Accident Account--State Appropriation ..... ((~~$19,763,000~~)) $19,775,000

Medical Aid Account--State Appropriation ..... ((~~$19,763,000~~)) $19,775,000

TOTAL APPROPRIATION ..... ((~~$39,536,000~~)) $39,560,000

Sec. 216. 2013 2nd sp.s. c 4 s 216 (uncodified) is amended to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund--State Appropriation (FY 2014) ..... ((~~$14,257,000~~)) $14,538,000

General Fund--State Appropriation (FY 2015) ..... ((~~$14,159,000~~)) $14,178,000

General Fund--Private/Local Appropriation ..... ((~~$3,059,000~~)) $4,201,000

Death Investigations Account--State Appropriation $148,000

Municipal Criminal Justice Assistance Account--State Appropriation $460,000

Washington Auto Theft Prevention Authority Account--State Appropriation $8,597,000

TOTAL APPROPRIATION ..... ((~~$40,680,000~~)) $42,122,000

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

(1) $5,000,000 of the general fund--state appropriation for fiscal year 2014 and $5,000,000 of the general fund--state appropriation for fiscal year 2015, are provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of registered sex offenders and kidnapping offenders under RCW 9A.44.130.

(2) ((~~$340,000~~)) $378,000 of the general fund--local appropriation is provided solely to purchase ammunition for the basic law enforcement academy. Jurisdictions shall reimburse to the criminal justice training commission the costs of ammunition, based on the average cost of ammunition per cadet, for cadets that they enroll in the basic law enforcement academy.

(3) The criminal justice training commission may not run a basic law enforcement academy class of fewer than 30 students.

(4) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a school safety program. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel hired after the effective date of this section.

(5) $96,000 of the general fund--state appropriation for fiscal year 2014 and $96,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the school safety center within the commission. The safety center shall act as an information dissemination and resource center when an incident occurs in a school district in Washington or in another state, coordinate activities relating to school safety, and review and approve manuals and curricula used for school safety models and training. Through an interagency agreement, the commission shall provide funding for the office of the superintendent of public instruction to continue to develop and maintain a school safety information web site. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety, for all school safety personnel. The commission shall provide research-related programs in school safety and security issues beneficial to both law enforcement and schools.

(6) $123,000 of the general fund--state appropriation for fiscal year 2014 and $123,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the costs of providing statewide advanced driving training with the use of a driving simulator.

(7) $165,000 of the general fund--state appropriation for fiscal year 2014 and $165,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for crisis intervention training for peace officers. The commission shall incorporate eight hours of crisis intervention curriculum into its basic law enforcement academy and shall offer an eight-hour in-service crisis intervention training course.

(8) $35,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for a study to collect data on the number of reserve officers statewide. By December 31, 2014, the commission shall report to the legislature on the number of reserve peace officers who are employed at each local law enforcement agency in Washington.

Sec. 217. 2013 2nd sp.s. c 4 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

General Fund--State Appropriation (FY 2014) ..... ((~~$17,158,000~~)) $17,234,000

General Fund--State Appropriation (FY 2015) ..... ((~~$17,733,000~~)) $18,228,000

General Fund--Federal Appropriation $11,876,000

Asbestos Account--State Appropriation $366,000

Electrical License Account--State Appropriation ..... ((~~$37,124,000~~)) $40,274,000

Farm Labor Contractor Account--State Appropriation $28,000

Worker and Community Right-to-Know Account--State Appropriation $903,000

Public Works Administration Account--State Appropriation ..... ((~~$6,252,000~~)) $7,860,000

Manufactured Home Installation Training Account--State Appropriation $353,000

Accident Account--State Appropriation ..... ((~~$258,440,000~~)) $259,475,000

Accident Account--Federal Appropriation $13,626,000

Medical Aid Account--State Appropriation ..... ((~~$278,697,000~~)) $279,711,000

Medical Aid Account--Federal Appropriation $3,186,000

Plumbing Certificate Account--State Appropriation ..... ((~~$1,732,000~~)) $1,746,000

Pressure Systems Safety Account--State Appropriation $4,193,000

TOTAL APPROPRIATION ..... ((~~$651,667,000~~)) $659,059,000

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

(1) Pursuant to RCW 43.135.055, the department is authorized to increase elevator fees by up to 13.1 percent during the 2013-2015 fiscal biennium. This increase is necessary to support expenditures authorized in this section, consistent with chapter 70.87 RCW.

(2) $1,336,000 of the medical aid account--state appropriation is provided solely for implementation of Substitute Senate Bill No. 5362 (workers' compensation/vocational rehabilitation). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(3) $279,000 of the public works administration account--state appropriation, $4,000 of the medical aid account--state appropriation, and $4,000 of the accident account--state appropriation are provided solely for implementation of Substitute House Bill No. 1420 (transportation improvement projects). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(4) $104,000 of the general fund--state appropriation for fiscal year 2014 and $104,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement Substitute Senate Bill No. 5123 (farm internships). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(6)~~)) (5) $210,000 of the medical aid account--state appropriation and $630,000 of the accident account--state appropriation are provided solely for the contract costs and one staff position at the department for the purpose of implementing the logging safety initiative in an effort to reduce the frequency and severity of injuries in manual, or nonmechanized, logging. The department shall reduce $840,000 of workers compensation funding used for the safety and health investment project to maintain cost neutrality. Additional costs for the implementation of the logging safety initiative shall be accomplished by the department within existing resources to include the assignment of two full-time auditors specifically for this purpose. The department is directed to include $420,000 of these costs in its calculation of workers' compensation premiums for the forest products industry for 2014, 2015, and 2016 rates. The department shall report to the legislature by December 31, 2014, an approach for using a third party safety certification vendor, accomplishments of the taskforce, accomplishments on this effort to-date, and future plans. The report must identify options for future funding and make recommendations for permanent funding for this program.

(6) $132,000 of the accident account--state appropriation and $130,000 of the medical aid account--state appropriation are provided solely to implement Engrossed Second Substitute House Bill No. 1467 (unpaid wages collection). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(7) $399,000 of the general fund--state appropriation for fiscal year 2015 and $21,000 of the electrical license account--state appropriation are provided solely to implement Substitute House Bill No. 2146 (labor and industries appeal bonds). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(8) $457,000 of the public works administration account--state appropriation is provided solely to implement Substitute House Bill No. 2331 (public works payroll records). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(9) $129,000 of the accident account--state appropriation and $130,000 of the medical aid account--state appropriation are provided solely to implement Substitute House Bill No. 2333 (employee antiretaliation act). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(10) $330,000 of the accident account--state appropriation and $330,000 of the medical aid account--state appropriation are provided solely to implement House Bill No. 2334 (employee status). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(11) $33,000 of the medical aid account--state appropriation is provided solely to implement Engrossed House Bill No. 2617 (interpreter

services). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(12) $15,000 of the general fund--state appropriation for fiscal year 2014, and $35,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department of labor and industries to convene and provide support to a work group on agricultural and agricultural labor-related issues. The goals of the work group are to educate participants on relevant areas of regulation and business practices of the agricultural industry and to foster substantive, respectful, problem-solving oriented communication between multiple state agencies and those in and affected by the agricultural industry. The work group must strive to identify mutual points of interest and concern, and collaborate to find administrative solutions to issues affecting agriculture, including but not limited to, housing, workplace standards, and agricultural labor supply.

(a) The work group must consist of ten members appointed by the governor with balanced and diverse representation that must include representatives from growers, agricultural industries, farmworker advocates, and labor.

(b) State agencies including the department of agriculture, the employment security department, the department of labor and industries, the department of health, and the commission on Hispanic affairs must each identify a representative to participate on the work group as an ex officio member. The work group may invite other agencies to participate as needed.

(c) The department of labor and industries must provide a facilitator and coordinate no more than six meetings in 2014 with the final number of meetings to be determined by the work group.

(d) The facilitator, who may be an employee or contractor identified by the department of labor and industries, must assist work group members to identify a list of issues that may be implemented administratively for consideration by the work group and develop a work plan for implementation.

(e) The department of labor and industries must submit a report by December 1, 2014, to the office of financial management and to the appropriate fiscal and policy committees of the legislature. The report must include the following:

(i) The list of work group members;

(ii) The list of all issues identified by the work group that may be implemented administratively, including those that are agreed to by the entire work group and those that are supported by some members of the work group but not all; and

(iii) The agreed upon work plan of administrative actions to be taken, including progress made, status as of the date of the report, and next steps.

(f) Work group members are entitled to be reimbursed for travel expenses under RCW 43.03.050, 43.03.060, and 43.03.049.

Sec. 218. 2013 2nd sp.s. c 4 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) HEADQUARTERS

General Fund--State Appropriation (FY 2014) $1,996,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,900,000~~)) $1,902,000

Charitable, Educational, Penal, and Reformatory Institutions Account--State Appropriation $10,000

TOTAL APPROPRIATION ..... ((~~$3,906,000~~)) $3,908,000

(2) FIELD SERVICES

General Fund--State Appropriation (FY 2014) ..... ((~~$5,340,000~~)) $5,348,000

General Fund--State Appropriation (FY 2015) ..... ((~~$5,316,000~~)) $5,322,000

General Fund--Federal Appropriation ..... ((~~$3,455,000~~)) $3,460,000

General Fund--Private/Local Appropriation ..... ((~~$4,418,000~~)) $4,550,000

Veteran Estate Management Account--Private/Local Appropriation $1,104,000

TOTAL APPROPRIATION ..... ((~~$19,633,000~~)) $19,784,000

The appropriations in this subsection are subject to the following conditions and limitations: $300,000 of the general fund--state appropriation for fiscal year 2014 and $300,000 of the general fund-- state appropriation for fiscal year 2015 are provided solely to provide crisis and emergency relief and education, training, and employment assistance to veterans and their families in their communities through the veterans innovation program.

(3) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2014) ..... ((~~$102,000~~)) $239,000

General Fund--State Appropriation (FY 2015) ..... ((~~$20,000~~)) $156,000

General Fund--Federal Appropriation ..... ((~~$68,981,000~~)) $69,622,000

General Fund--Private/Local Appropriation ..... ((~~$39,355,000~~)) $25,656,000

TOTAL APPROPRIATION ..... ((~~$108,458,000~~)) $95,673,000

Sec. 219. 2013 2nd sp.s. c 4 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

General Fund--State Appropriation (FY 2014) ..... ((~~$60,230,000~~)) $60,103,000

General Fund--State Appropriation (FY 2015) ..... ((~~$59,198,000~~)) $64,363,000

General Fund--Federal Appropriation ..... ((~~$536,074,000~~)) $535,692,000

General Fund--Private/Local Appropriation ..... ((~~$139,455,000~~)) $139,290,000

Hospital Data Collection Account--State Appropriation $222,000

Health Professions Account--State Appropriation ..... ((~~$104,722,000~~)) $104,898,000

Aquatic Lands Enhancement Account--State Appropriation $604,000

Emergency Medical Services and Trauma Care Systems Trust Account--State Appropriation ..... ((~~$12,319,000~~)) $11,198,000

Safe Drinking Water Account--State Appropriation ..... ((~~$5,267,000~~)) $5,255,000

Drinking Water Assistance Account--Federal Appropriation ..... ((~~$14,806,000~~)) $14,747,000

Waterworks Operator Certification--State Appropriation $1,560,000

Drinking Water Assistance Administrative Account--State Appropriation $339,000

Site Closure Account--State Appropriation $159,000

Biotoxin Account--State Appropriation $1,323,000

State Toxics Control Account--State Appropriation ..... ((~~$3,949,000~~)) $3,935,000

Medical Test Site Licensure Account--State Appropriation ..... ((~~$4,737,000~~)) $4,730,000

Youth Tobacco Prevention Account--State Appropriation $1,512,000

Public Health Supplemental Account--Private/Local Appropriation $3,236,000

Accident Account--State Appropriation $304,000

Medical Aid Account--State Appropriation $50,000

Medicaid Fraud Penalty Account--State Appropriation $987,000

TOTAL APPROPRIATION ..... ((~~$951,053,000~~)) $954,507,000

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

(1)(a) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(b) The joint administrative rules review committee shall review the new or amended rules pertaining to primary and secondary school facilities under (a) of this subsection. The review committee shall determine whether (i) the rules are within the intent of the legislature as expressed by the statute that the rule implements, (ii) the rule has been adopted in accordance with all applicable provisions of law, or (iii) that the agency is using a policy or interpretive statement in place of a rule. The rules review committee shall report to the appropriate policy and fiscal committees of the legislature the results of committee's review and any recommendations that the committee deems advisable.

(2) In accordance with RCW 43.70.250 and 43.135.055, the department is authorized to establish and raise fees in fiscal year 2014 as necessary to meet the actual costs of conducting business and the appropriation levels in this section. This authorization applies to fees required for newborn screening, and fees associated with the following professions: Agency affiliated counselors; certified counselors; and certified advisors.

(3) $150,000 of the state toxics control account--state appropriation is provided solely to provide water filtration systems for low-income households with individuals at high public health risk from nitrate-contaminated wells in the lower Yakima basin.

(4)(a) $64,000 of the medicaid fraud penalty account--state appropriation is provided solely for the department to integrate the prescription monitoring program into the coordinated care electronic tracking program developed in response to section 213, chapter 7, Laws of 2012, 2nd sp. sess., commonly referred to as the seven best practices in emergency medicine.

(b) The integration must provide prescription monitoring program data to emergency department personnel when the patient registers in the emergency department. Such exchange may be a private or public joint venture, including the use of the state health information exchange.

(c) As part of the integration, the department shall request insurers and third-party administrators that provide coverage to residents of Washington state to provide the following to the coordinated care electronic tracking program:

(i) Any available information regarding the assigned primary care provider, and the primary care provider's telephone and fax numbers. This information is to be used for real-time communication to an emergency department provider when caring for a patient; and

(ii) Information regarding any available care plans or treatment plans for patients with higher utilization of services on a regular basis. This information is to be provided to the treating provider.

(5) $270,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the Washington autism alliance to assist autistic individuals and families with autistic children during the transition to federal health reform.

(6) $6,000 of the general fund--state appropriation for fiscal year 2014 and $5,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to convene a work group to study and recommend language for standardized clinical affiliation agreements for clinical placements associated with the education and training of physicians licensed under chapter 18.71 RCW, osteopathic physicians and surgeons licensed under chapter 18.57 RCW, and nurses licensed under chapter 18.79 RCW. The work group shall develop one recommended standardized clinical affiliation agreement for each profession or one recommended standardized clinical affiliation agreement for all three professions.

(a) When choosing members of the work group, the department shall consult with the health care personnel shortage task force and shall attempt to ensure that the membership of the work group is geographically diverse. The work group must, at a minimum, include representatives of the following:

(i) Two-year institutions of higher education;

(ii) Four-year institutions of higher education;

(iii) The University of Washington medical school;

(iv) The college of osteopathic medicine at the Pacific Northwest University of Health Sciences;

(v) The health care personnel shortage task force;

(vi) Statewide organizations representing hospitals and other facilities that accept clinical placements;

(vii) A statewide organization representing physicians;

(viii) A statewide organization representing osteopathic physicians and surgeons;

(ix) A statewide organization representing nurses;

(x) A labor organization representing nurses; and

(xi) Any other groups deemed appropriate by the department in consultation with the health care personnel shortage task force.

(b) The work group shall report its findings to the governor and the appropriate standing committees of the legislature no later than November 15, 2014.

(7) $65,000 of the general fund--state appropriation for fiscal year 2014 and $65,000 of the general fund--state appropriation for fiscal year 2015 are for the midwifery licensure and regulatory program to supplement revenue from fees. The department shall charge no more than five hundred twenty-five dollars annually for new or renewed licenses for the midwifery program.

(8) During the 2013-2015 fiscal biennium, each person subject to RCW 43.70.110(3)(c) is required to pay only one surcharge of up to twenty-five dollars annually for the purposes of RCW 43.70.112, regardless of how many professional licenses the person holds.

(9) $654,000 of the health professions account--state appropriation is provided solely for the implementation of Engrossed Senate Bill No. 5206 (health sciences library). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(10) $35,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1003 (health professions licensees). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(11) $10,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1270 (board of denturists). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(12) $10,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1271 (denturism). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(13) $11,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1330 (dental hygienists, assistants). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(14) ((~~$1,008,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1343 (nurses surcharge). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.~~ ~~(15)~~)) $34,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1376 (suicide assessment training). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(16)~~)) (15) $10,000 of the health professions account--state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 1515 (medical assistants). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(17)~~)) (16) $2,185,000 of the health professions account--state appropriation is provided solely for the implementation of Second Substitute House Bill No. 1518 (disciplinary authorities). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(18)~~)) (17) $141,000 of the general fund--private/local appropriation is provided solely for the implementation of Substitute House Bill No. 1525 (birth certificates). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(19)~~)) (18) $220,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1534 (impaired dentist program). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(20)~~)) (19) $51,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1609 (board of pharmacy). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(21)~~)) (20) $12,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1629 (home care aide continuing education). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(22)~~)) (21) $18,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1737 (physician assistants). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(23)~~)) (22) $77,000 of the general fund--state appropriation for fiscal year 2014 and $38,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to develop a report on state efforts to prevent and control diabetes. The department, the health care authority, and the department of social and health services shall submit a coordinated report to the governor and the appropriate committees of the legislature by December 31, 2014, on the following:

(a) The financial impacts and reach that diabetes of all types and undiagnosed gestational diabetes are having on the programs administered by each agency and individuals, including children with mothers with undiagnosed gestational diabetes, enrolled in those programs. Items in this assessment must include: (i) The number of lives with diabetes and undiagnosed gestational diabetes impacted or covered by the programs administered by each agency; (ii) the number of lives with diabetes, or at risk for diabetes, and family members impacted by prevention and diabetes control programs implemented by each agency; (iii) the financial toll or impact diabetes and its complications, and undiagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs in comparison to other chronic diseases and conditions; and (iv) the financial toll or impact diabetes and its complications, and diagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs;

(b) An assessment of the benefits of implemented and existing programs and activities aimed at controlling all types of diabetes and preventing the disease. This assessment must also document the amount and source for any funding directed to each agency for the programs and activities aimed at reaching those with diabetes of all types;

(c) A description of the level of coordination existing between the agencies on activities, programmatic activities, and messaging on managing, treating, or preventing all types of diabetes and its complications;

(d) The development or revision of detailed policy-related action plans and budget recommendations for battling diabetes and undiagnosed gestational diabetes that includes a range of actionable items for consideration by the legislature. The plans and budget recommendations must identify proposed action steps to reduce the impact of diabetes, prediabetes, related diabetes complications, and undiagnosed gestational diabetes. The plans and budget recommendations must also identify expected outcomes of the action steps proposed in the following biennium while also establishing benchmarks for controlling and preventing all types of diabetes; and

(e) An estimate of savings, efficiencies, costs, and budgetary savings and resources required to implement the plans and budget recommendations identified in (d) of this subsection (23).

((~~(24)~~)) (23) Within the general fund--state amounts appropriated in this section, the department of health will develop and administer the certified home care aide examination translated into at least seven languages in addition to the languages in which the examination is available on the effective date of this act. The purpose of offering the examination in additional languages is to encourage an adequate supply of certified home care aides to meet diverse long-term care client needs.

(24) $350,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to implement Second Substitute House Bill No. 2643 (healthiest next generation). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(25) $2,950,000 of the general fund--state appropriation for fiscal year 2015 and $78,000 of the health professions account--state appropriation are provided solely to implement Engrossed Second Substitute House Bill No. 2149 (medical marijuana). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(26) $68,000 of the health professions account--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 2160 (physical therapists). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(27) $251,000 of the health professions account--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 2315 (suicide prevention). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(28)(a) Within the appropriations provided in this section, the department shall update its hepatitis C strategic plan for the state to include recommended actions pertaining to, at a minimum:

(i) Using prevalence data to determine the number of undiagnosed hepatitis C patients in the state;

(ii) How to best reach undiagnosed patients, with special consideration to people born between 1945 and 1965, and new infections;

(iii) The status of the more than sixty thousand state residents who have already been diagnosed with hepatitis C;

(iv) A framework for improving hepatitis C testing and linkage to medical care; and

(v) A framework for the prevention of hepatitis C.

(b) The department of health shall present its updated strategic hepatitis C plan to the appropriate committees of the legislature by September 15, 2014.

Sec. 220. 2013 2nd sp.s. c 4 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

The appropriations to the department of corrections in this act must be expended for the programs and in the amounts specified in this section. However, after May 1, 2014, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2014 between programs. The department may not transfer funds, and the director of financial management may not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification must include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund--State Appropriation (FY 2014) ..... ((~~$56,437,000~~)) $56,357,000

General Fund--State Appropriation (FY 2015) ..... ((~~$54,779,000~~)) $55,197,000

Data Processing Revolving Account--State Appropriation $1,249,000

TOTAL APPROPRIATION ..... ((~~$112,465,000~~))

$112,803,000

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

(a) $35,000 of the general fund--state appropriation for fiscal year 2014 and $35,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

(b) $150,000 of the general fund--state appropriation for fiscal year 2014 and $75,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to contract with a consultant who can facilitate and provide project expertise on the implementation of community and prison based offender programming that follows the risk-needs-responsivity model.

(i) By September 1, 2013, the department shall provide to the consultant an inventory of all existing programming both in prisons and in community operations. The department shall consult with the Washington state institute for public policy (WSIPP) to determine whether programs are evidence-based or research-based using definitions provided by WSIPP and shall include this information on the inventory.

(ii) By ((~~October 1, 2013~~)) March 1, 2014, the consultant shall report to the department, the office of financial management, and legislative fiscal committees on the department's current plans and processes for managing offender programming including processes for phasing-out ineffective programs and implementing evidence-based or research-based programs. All department programs should be considered by the consultant regardless of whether they are included on the most recent list of WSIPP approved identifiable evidence-based practices in (b)(i) of this subsection.

(iii) The WSIPP, in consultation with the department, shall systematically review selected programs to determine the effectiveness of these programs at reducing recidivism or other outcomes. The WSIPP shall conduct a benefit-cost analysis of these programs when feasible and shall report to the legislature by December 1, 2013.

(iv) Based on the report provided by the consultant and the WSIPP review of programs, the department shall work collaboratively with the consultant to develop and complete a written comprehensive implementation plan by ((~~January 15, 2014~~)) June 30, 2014. The implementation plan must clearly identify the types of programs to be included, the recommended locations where the programs will be sited, an implementation timeline, and a phasing of the projected number of participants needed to meet the threshold of available program funds.

(v) Using the written implementation plan as a guide, the department must have programs in place and fully phased-in no later than ((~~June 30, 2015~~)) January 1, 2016.

(vi) The department shall hold the consultant on retainer to assist the department as needed throughout the implementation process. The consultant shall review quarterly the actual implementation compared to the written implementation plan and shall provide a report to the secretary of the department. The department shall provide reports to the office of financial management and legislative fiscal committees as follows:

(A) The written comprehensive implementation plan shall be provided by January 15, 2014; and

(B) Written progress updates shall be provided by July 1, 2014, and by December 1, 2014.

(2) CORRECTIONAL OPERATIONS

General Fund--State Appropriation (FY 2014) ..... ((~~$605,039,000~~))
$599,248,000

General Fund--State Appropriation (FY 2015) ..... ((~~$604,704,000~~))
$601,804,000

General Fund--Federal Appropriation ..... ((~~$3,322,000~~))
$3,356,000

Washington Auto Theft Prevention Authority Account--
State Appropriation $7,585,000

Environmental Legacy Stewardship Account--State
Appropriation $105,000

County Criminal Justice Assistance Account--State
Appropriation $390,000

TOTAL APPROPRIATION ..... ((~~$1,221,145,000~~))
$1,212,488,000

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

(a) During the 2013-2015 fiscal biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(b) $501,000 of the general fund--state appropriation for fiscal year 2014 and $501,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to maintain the facility, property, and assets at the institution formerly known as the maple lane school in Rochester. The department may not house incarcerated offenders at the maple lane site until specifically directed to do so by the legislature.

(c) By ((~~December 1, 2013~~)) March 31, 2014, the department of corrections shall provide a report to the office of financial management and the appropriate fiscal and policy committees of the legislature that evaluates the department's inmate intake processes and expenditures and makes recommendations for improvements. The evaluation must include an analysis of lean management processes that, if adopted, could improve the efficiency and cost effectiveness of inmate intake.

(d) By December 1, 2013, the department of corrections shall provide a report to the office of financial management and the appropriate fiscal and policy committees of the legislature that evaluates the department's use of partial confinement and work release programs and makes recommendations for improving public safety and decreasing recidivism through increasing participation in partial confinement re-entry and work release programs. In making its recommendations, the department shall identify:

(i) Options for increasing the capacity of work release beds to meet the number of eligible offenders;

(ii) Potential cost savings to the state through contracting for or building new work release capacity;

(iii) Options for expanding eligibility for partial confinement, including creation of a structured re-entry program that includes stable housing, mandatory participation in evidence-based programs, and intensive supervision; and

(iv) Potential cost savings to the state from creation of a structured re-entry program.

(e) By December 1, 2013, the department of corrections shall provide a report to the office of financial management and the appropriate fiscal and policy committees of the legislature that evaluates the department's community parenting alternative program, and makes recommendations for increasing participation in the program with the goals of increasing public safety and decreasing recidivism. The evaluation shall include recommendations for increasing the placement of eligible offenders into the program and increasing eligibility to other populations. In making its recommendations, the department shall identify the percent of the eligible population currently entering the program, outcomes to-date for program participants, and potential cost savings from increasing placement of offenders into the program.

(f) The department of corrections shall contract with local and tribal governments for the provision of jail capacity to house offenders who violate the terms of their community supervision. A contract shall not have a cost of incarceration in excess of $85 per day per offender. A contract shall not have a year-to-year increase in excess of three percent per year. The contracts may include rates for the medical care of offenders which exceed the daily cost of incarceration and the limitation on year-to-year increase, provided that medical payments conform to the department's offender health plan, pharmacy formulary, and all off-site medical expenses are preapproved by department utilization management staff.

(g)(i) The legislature finds that it has taken several steps to mitigate the demand for prison capacity including funding evidence- based programming for offenders which is proven to reduce recidivism, funding evidence-based treatment alternatives to incarceration for drug-addicted offenders, standardizing inconsistencies in the drug sentencing grid, and authorizing the department to rent local jail beds. These steps will also assist the department's implementation of additional operational efficiencies by reducing costs related to offender intake, processing, and transportation.

(ii) Up to $1,119,000 of the general fund--state appropriation for fiscal year 2014 and up to $1,322,000 of the general fund--state appropriation for fiscal year 2015 may be used by the department to rent jail capacity for short-term offenders. In contracting for jail beds for short-term offenders, the department shall rent capacity from local and tribal governments to house offenders with an earned release date of less than one hundred twenty days remaining on his or her sentence at the time the offender would otherwise be transferred to a state correctional facility. The contracted daily costs for these offenders shall not exceed $70 per offender including medical costs.

(h) The department of corrections shall issue a competitive solicitation by August 1, 2013, to contract with local jurisdictions for the use of inmate bed capacity in lieu of prison beds operated by the state. The department may contract for up to 300 beds statewide to the extent that it is at no net cost to the department. The department shall calculate and report the average cost per offender per day, inclusive of all services, on an annual basis for a facility that is representative of average medium or lower offender costs. The duration of the contracts may be for up to four years. The department shall not pay a rate greater than $65 per day per offender for all costs associated with the offender while in the local correctional facility to include programming and health care costs, or the equivalent of $65 per day per bed including programming and health care costs for full units. The capacity provided at local correctional facilities must be for offenders whom the department of corrections defines as medium or lower security offenders. Programming provided for inmates held in local jurisdictions is included in the rate, and details regarding the type and amount of programming, and any conditions regarding transferring offenders will be negotiated with the department as part of any contract. Local jurisdictions must provide health care to offenders that meet standards set by the department. The local jail will provide all medical care including unexpected emergent care. The department must utilize a screening process to ensure that offenders with existing extraordinary medical/mental health needs are not transferred to local jail facilities. If extraordinary medical conditions develop for an inmate while at a jail facility the jail may transfer the offender back to the department, subject to terms of the negotiated agreement. Health care costs incurred prior to transfer will be the responsibility of the jail. The department will report to legislative fiscal committees and the office of financial management by November 1, 2013, to provide a status update on implementation.

(i) The department shall convene a work group to develop health care cost containment strategies at local jail facilities. The work group shall identify cost containment strategies in place at the department and at local jail facilities, identify the costs and benefits of implementing strategies in jail health-care facilities, and make recommendations on implementing beneficial strategies. The work group shall submit a report on its findings and recommendations to the fiscal committees of the legislature by October 1, 2013. The work group shall include jail administrators, representatives from health care facilities at the local jail level and the state prisons level, and other representatives as deemed necessary.

(j) $1,026,000 of the general fund--state appropriation for fiscal year 2014 and $781,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to expand the piloted risk-needs-responsivity model to include the use of cognitive behavioral therapy with evidence-based programming at two minimum security prison facilities and at the Monroe correctional complex.

(k) $23,653,000 of the general fund--state appropriation for fiscal year 2014 and $24,919,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for offender programming. Pursuant to section 220(1) of this act, the department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(l) $36,000 of the general fund--state appropriation for fiscal year 2014 and $36,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Engrossed Senate Bill No. 5484 (assault in the third-degree). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(m) $48,000 of the general fund--state appropriation for fiscal year 2014 and $48,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Engrossed Substitute House Bill No. 1383 (stalking protection orders). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(n) $36,000 of the general fund--state appropriation for fiscal year 2014 and $36,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Senate Bill No. 5149 (crimes against pharmacies). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(o) $24,000 of the general fund--state appropriation for fiscal year 2014 and $24,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5669 (trafficking). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(p) $24,000 of the general fund--state appropriation for fiscal year 2014 and $24,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Engrossed Senate Bill No. 5053 (vehicle prowling). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(q) $96,000 of the county criminal justice assistance--state appropriation is provided solely for implementation of Engrossed Senate Bill No. 5105 (rental vouchers for offenders). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(r) $239,000 of the general fund--state appropriation for fiscal year 2014, and $1,431,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to contract with Yakima county for the use of inmate bed capacity in lieu of prison beds operated by the state. The contract must conform to the provisions of subsection (h) of this section.

(s) $50,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the department to evaluate the provision of post-secondary education to offenders in the prison system and prepare a report of the findings. The report is due to the office of financial management and the appropriate policy and fiscal committees of the legislature by December 1, 2014. The report must include an evaluation of the need for post-secondary education for the offender population, the opportunities that exist to provide this program, the available curriculum, the cost per participant, the impact on recidivism, prison safety and public safety, and the options available after the offender's release to assist with the reentry and the continuation of education for program participants.

(t) The department shall assess possible uses for the Yakima county jail facility, including but not limited to, housing for short-term offenders; housing for community supervision violators or absconders; housing for offenders with special program needs such as offenders with mental health issues; and housing for older or infirm offenders. The department shall report to the appropriate policy and fiscal committees of the legislature by December 1, 2014, with findings, cost estimates, and recommendations for the use of the facility.

(3) COMMUNITY SUPERVISION

General Fund--State Appropriation (FY 2014) ..... ((~~$130,568,000~~)) $149,938,000

General Fund--State Appropriation (FY 2015) ..... ((~~$131,973,000~~)) $153,322,000

General Fund--Federal Appropriation $750,000

County Criminal Justice Assistance Account--State $2,249,000

Ignition Interlock Device Revolving Account--State $2,200,000

TOTAL APPROPRIATION ..... ((~~$266,990,000~~)) $308,459,000

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

(a) $1,906,000 of the county criminal justice assistance account-- state appropriation and $2,200,000 of the ignition interlock device revolving account--state appropriation are provided solely for the department to contract for additional residential drug offender sentencing alternative treatment slots. By December 1, 2013, the department shall provide a report to the appropriate fiscal committees of the house of representatives and the senate on the use of the additional treatment slots.

(b) $4,186,000 of the general fund--state appropriation for fiscal year 2014 and $6,362,000 of the general fund--state appropriation for fiscal year 2015 must be expended on evidence-based programs that follow the risk-needs-responsivity model. The department is authorized to use up to ten percent of these funds as necessary to secure physical space as needed to maximize program delivery of evidence-based treatment to all high-risk, high-need offenders in community supervision. Funding may be prioritized by the department to any program recognized as evidence-based for adult offenders by the Washington state institute for public policy.

(c) $16,513,000 of the general fund--state appropriation for fiscal year 2014 and $16,527,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for offender programming. Pursuant to section 220 (1) of this act, the department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(d) $107,000 of the county criminal justice--state appropriation is provided solely for implementation of Engrossed Senate Bill No. 5105 (rental vouchers for offenders). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(e) $250,000 of the general fund--state appropriation for fiscal year 2015 and $750,000 of the general fund--federal appropriation are provided solely for the second chance reentry grant demonstration project.

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2014) ..... ((~~$6,780,000~~)) $6,830,000

General Fund--State Appropriation (FY 2015) $7,182,000

TOTAL APPROPRIATION ..... ((~~$13,962,000~~)) $14,012,000

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

(a) $3,293,000 of the general fund--state appropriation for fiscal year 2014 and $3,707,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the stewardship of McNeil island. The department shall assume responsibility of all island maintenance

excluding site specific maintenance operations for the special commitment center and the Pierce county secure transitional facility. The department shall as part of its industries program provide job skills to offenders while providing the minimum maintenance and preservation necessary for the state to remain in compliance with the federal deed for McNeil island. The department shall report on efficiencies and potential cost reductions to the office of financial management and legislative fiscal committees by December 15, 2013.

(b)(i) The department of social and health services shall transfer the stewardship of McNeil Island to the department of corrections industries program, effective September 1, 2013. The transferred responsibilities shall include marine operations, waste water treatment, water treatment, road maintenance, and any other general island maintenance that is not site specific to the operations of the special commitment center or the Pierce county secure community transition facility. Facility maintenance within the perimeter of the special commitment center shall remain the responsibility of the department of social and health services. Capital repairs and maintenance necessary to maintain the special commitment center on McNeil Island shall be managed by the department of social and health services. The legislature directs both departments to enter into an interagency agreement by August 1, 2013. The office of financial management shall oversee the negotiations of the interagency agreement. The interagency agreement must describe equipment that will transfer between the departments, warehouse space that will be shared by the departments, and occupancy requirements for any shops outside the perimeter of the special commitment center. The office of financial management will make the final determination on any disagreements between the departments on the details of the interagency agreement.

(ii) All employees of the department of social and health services engaged in performing the powers, functions, and duties transferred to the department of corrections industries program under this subsection, are transferred to the department of corrections.

(iii) All classified employees of department of social and health services assigned to the department of corrections under this subsection whose positions are within an existing bargaining unit description at the department of corrections shall become a part of the existing bargaining unit at the department of corrections and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

(5) INTERAGENCY PAYMENTS

General Fund--State Appropriation (FY 2014) ..... ((~~$35,345,000~~))
$41,726,000

General Fund--State Appropriation (FY 2015) ..... ((~~$32,115,000~~))
$38,111,000

TOTAL APPROPRIATION ..... ((~~$67,460,000~~))
$79,837,000

The appropriations in this subsection are subject to the following conditions and limitations: The state prison medical facilities may use funds appropriated in this subsection to purchase goods and supplies through hospital or other group purchasing organizations when it is cost effective to do so.

Sec. 221. 2013 2nd sp.s. c 4 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund--State Appropriation (FY 2014) ..... ((~~$2,242,000~~))
$2,227,000

General Fund--State Appropriation (FY 2015) ..... ((~~$2,197,000~~))
$2,217,000

General Fund--Federal Appropriation ..... ((~~$21,060,000~~))
$21,078,000

General Fund--Private/Local Appropriation $60,000

TOTAL APPROPRIATION ..... ((~~$25,559,000~~))
$25,582,000

Sec. 222. 2013 2nd sp.s. c 4 s 222 (uncodified) is amended to read as follows:

FOR THE EMPLOYMENT SECURITY DEPARTMENT

General Fund--Federal Appropriation ..... ((~~$269,977,000~~))
$269,835,000

General Fund--Private/Local Appropriation ..... ((~~$34,206,000~~))
$34,177,000

Unemployment Compensation Administration Account--
Federal Appropriation ..... ((~~$320,006,000~~))
$332,472,000

Administrative Contingency Account--State
Appropriation ..... ((~~$22,728,000~~))
$22,484,000

Employment Service Administrative Account--State
Appropriation ..... ((~~$35,567,000~~))
$36,548,000

TOTAL APPROPRIATION ..... ((~~$682,484,000~~))
$695,516,000

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

(1) $5,000,000 of the unemployment compensation administration account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for continuing current unemployment insurance functions and department services to employers and job seekers.

(2) ((~~$12,386,000~~)) $23,585,000 of the unemployment compensation administration account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for the replacement of the unemployment insurance tax information system for the employment security department. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(3) $3,735,000 of the unemployment compensation account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for the replacement of call center technology to improve the integration of the telephone and computing systems to increase efficiency and improve customer service.

(4) $182,000 of the employment services administrative account-- state appropriation is provided for costs associated with the second stage of the review and evaluation of the training benefits program as directed in section 15(2), chapter 4, Laws of 2011 (unemployment insurance program). This second stage shall be developed and conducted by the joint legislative audit and review committee and shall consist of further work on the process study and net-impact/cost-benefit analysis components of the evaluation.

(5) $240,000 of the administrative contingency account--state appropriation is provided solely for the employment security department to contract with a center for workers in King county. The amount appropriated in this subsection shall be used by the contracted center for workers to support initiatives that generate high-skill, high-wage jobs; improve workforce and training systems; improve service delivery for dislocated workers; and build alliances with community and environmental organizations.

(6) The department is prohibited from expending amounts appropriated in this section for implementation of chapter 49.86 RCW.

(7) The employment security department shall collaborate with the workforce training and education coordinating board, the state board for community and technical colleges, the economic service administration, and the local workforce development councils to coordinate a comprehensive report on short-term and long-term workforce programs outcomes and funding. The employment security department shall compile a single report and submit it to the governor and appropriate committees of the legislature by December 1, 2014. Specifically:

(a) The state board for community and technical colleges, in coordination with the economic services administration, shall report on short-term and long-term training outcomes for WorkFirst funded programs by activity (basic education, vocational education iBest, life skills, and any other related activities that are provided for WorkFirst students), including but not limited to:

(i) The number and percent of individuals that complete educational activities;

(ii) The number and percent of individuals employed within one quarter after program completion and their average wage;

(iii) The number and percent of individuals employed within three quarters after program completion and their average wage;

(iv) The number of students enrolled in short-term certificate programs by certificate type;

(v) The number and percent of students who earn short-term certificates by certificate type;

(vi) The number of students who accumulate at least forty-five credits and an industry recognized credential; and

(vii) The amount of WorkFirst funds spent.

The report shall also include recommendations for improving student retention and completion rates and any other system improvement recommendations.

(b) The employment security department shall work with the workforce training and education coordinating board, the state board for community and technical colleges, and the local workforce development councils to map the flow of federal workforce investment act funds from initial receipt by the employment security department to final expenditure. The report shall include:

(i) The total amount spent on direct training provided by the community and technical colleges from workforce investment act funds;

(ii) The total amount spent by the employment security department on direct service provision;

(iii) The number of students who enroll in short-term certificate programs;

(iv) The number and percent of students who earn short-term certificates; and

(v) The number and percent of students who accumulate at least forty-five credits and an industry recognized credential.

(8) $3,809,000 of the unemployment compensation administration account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for the replacement of the unemployment insurance benefit system for the employment security department. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(End of part)

PART III

NATURAL RESOURCES

Sec. 301. 2013 2nd sp.s. c 4 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund--State Appropriation (FY 2014) ..... ((~~$445,000~~)) $442,000

General Fund--State Appropriation (FY 2015) ..... ((~~$446,000~~)) $458,000

General Fund--Federal Appropriation $31,000

General Fund--Private/Local Appropriation..... ((~~$874,000~~)) $883,000

TOTAL APPROPRIATION..... ((~~$1,796,000~~)) $1,814,000

Sec. 302. 2013 2nd sp.s. c 4 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2014) ..... ((~~$25,929,000~~))
$25,983,000

General Fund--State Appropriation (FY 2015) ..... ((~~$25,506,000~~))
$25,524,000

General Fund--Federal Appropriation ..... ((~~$105,230,000~~))
$103,230,000

General Fund--Private/Local Appropriation $16,912,000

Reclamation Account--State Appropriation ..... ((~~$3,735,000~~))
$3,998,000

Flood Control Assistance Account--State Appropriation $1,985,000

State Emergency Water Projects Revolving
Account--State Appropriation $40,000

Waste Reduction/Recycling/Litter Control--State
Appropriation ..... ((~~$9,722,000~~))
$9,726,000

State Drought Preparedness Account--State Appropriation $204,000

State and Local Improvements Revolving Account
(Water Supply Facilities)--State Appropriation $426,000

Environmental Legacy Stewardship Account--State
Appropriation ..... ((~~$43,748,000~~))
$44,384,000

Aquatic Algae Control Account--State Appropriation $513,000

Water Rights Tracking System Account--State
Appropriation $46,000

Site Closure Account--State Appropriation $556,000

Wood Stove Education and Enforcement Account--State
Appropriation $612,000

Worker and Community Right-to-Know Account--State
Appropriation $1,701,000

Water Rights Processing Account--State Appropriation $135,000

State Toxics Control Account--State Appropriation ..... ((~~$124,238,000~~))
$124,377,000

State Toxics Control Account--Private/Local
Appropriation $979,000

Local Toxics Control Account--State Appropriation ..... ((~~$3,774,000~~))
$3,779,000

Water Quality Permit Account--State Appropriation ..... ((~~$40,982,000~~))
$41,845,000

Underground Storage Tank Account--State
Appropriation ..... ((~~$3,347,000~~))
$3,351,000

Biosolids Permit Account--State Appropriation ..... ((~~$1,848,000~~))
$2,147,000

Hazardous Waste Assistance Account--State
Appropriation ..... ((~~$6,037,000~~))
$6,040,000

Air Pollution Control Account--State Appropriation ..... ((~~$3,128,000~~))
$3,133,000

Oil Spill Prevention Account--State Appropriation ..... ((~~$5,684,000~~))
$6,496,000

Air Operating Permit Account--State Appropriation ..... ((~~$3,132,000~~))
$3,149,000

Freshwater Aquatic Weeds Account--State Appropriation $1,409,000

Oil Spill Response Account--State Appropriation $7,076,000

Water Pollution Control Revolving Account--State
Appropriation $356,000

Water Pollution Control Revolving Account--Federal
Appropriation $1,505,000

Water Pollution Control Revolving Administration
Account--State Appropriation $1,021,000

Radioactive Mixed Waste Account--State
Appropriation ..... ((~~$13,800,000~~))
$14,336,000

TOTAL APPROPRIATION ..... ((~~$455,316,000~~))
$456,974,000

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

(1) $170,000 of the oil spill prevention account--state appropriation is provided solely for a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(2) Pursuant to RCW 43.135.055, the department is authorized to increase the following fees as necessary to meet the actual costs of conducting business and the appropriation levels in this section: Wastewater discharge permit, not more than 4.55 percent in fiscal year 2014 and 4.63 percent in fiscal year 2015; mixed waste management service charge authorized in RCW 70.105.280, not more than 1.82 percent in fiscal year 2014 and 0.62 percent in fiscal year 2015; and reasonably available control technology fee.

(3) $1,981,000 of the state toxics control account--state appropriation is for the department to provide training regarding the benefits of low-impact development including, but not limited to, when the use of low-impact development is appropriate and feasible, and the design, installation, maintenance, and best practices of low-impact development. The department will consult with Washington State University extension low-impact development technical center and others in the development of the low-impact technical training. As appropriate, the department may contract with the Washington State University extension low-impact development technical center, private sector vendors, associations, and others to deliver the technical training. The training must be provided free of cost to phase I and phase II permittees and the private development community including builders, engineers, and other industry professionals. The training must be sequenced geographically and provided in time for local jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By August 1, 2013, the department of ecology shall provide the governor and appropriate legislative committees a plan for how low-impact development training funds will be spent during fiscal years 2014 through 2017.

(4) $440,000 of the state toxics control account--state appropriation is provided solely for administering the water pollution control facilities financial assistance program authorized in chapter 90.50A RCW.

(5) $350,000 of the state toxics control account--state appropriation is provided solely for the Spokane river regional toxics task force to support their efforts to address elevated levels of polychlorinated biphenyls in the Spokane river. Funding will be used to determine the extent of the cleanup required, implement cleanup actions to meet applicable water quality standards, and prevent recontamination.

(6) $516,000 of the state toxics control account--state appropriation is provided solely for the department to support an ultrafine particulate study to determine how, if at all, the biomass cogeneration facilities in Port Townsend and Port Angeles may impact air quality and the health of citizens in the region.

(7) $65,000 of the water quality permit account--state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 1245 (derelict and abandoned vessels). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(9)~~)) (8) The department shall collaborate with the middle snake river watershed, WRIA 35 planning unit in implementing its watershed plan.

((~~(10)~~)) (9)(a) $14,000,000 of the general fund--state appropriation for fiscal year 2014 and $14,000,000 of the general fund--state appropriation for fiscal year 2015 are for activities within the water resources program.

(b) Of the amounts provided in (a) of this subsection, $500,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for processing water right permit applications only if the department of ecology issues at least five hundred water right decisions in fiscal year 2014, and if the department of ecology does not issue at least five hundred water right decisions in fiscal year 2014 the amount provided in this subsection shall lapse and remain unexpended. Permit decisions for the Columbia river basin count toward the five hundred water rights decisions under this subsection. The department of ecology shall submit a report to the office of financial management and the state treasurer by June 30, 2014, that documents whether five hundred water right decisions were issued in fiscal year 2014. For the purposes of this subsection, applications that are voluntarily withdrawn by an applicant do not count towards the five hundred water right decision requirement. For the purposes of water budget-neutral requests under chapter 173-539A WAC, multiple domestic connections authorized within a single water budget-neutral decision are considered one decision for the purposes of this subsection.

((~~(11)~~)) (10) The department of ecology, in consultation with the office of financial management, shall prepare a facilities plan to reduce the agency's facilities obligation and the agency's cost per FTE for its facilities by 2017 to align with comparable state agencies. The plan must be submitted to the office of financial management and the appropriate legislative fiscal committees by November 1, 2013. The plan must include: (a) An inventory of all currently owned and leased buildings, consistent with the data provided through the state's facilities inventory process prescribed by the office of financial management annually by September 1st; (b) a list of facilities solutions that will reduce costs with an emphasis on consolidation, collocation, and alternative space solutions such as shared workspace and mobile work; and (c) a department-wide coordinated process and plan for regularly evaluating facility needs.

(11) $157,000 of the oil spill prevention account--state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2347 (oil transportation safety). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 303. 2013 2nd sp.s. c 4 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund--State Appropriation (FY 2014) ..... ((~~$4,254,000~~))
$4,308,000

General Fund--State Appropriation (FY 2015) ..... ((~~$4,254,000~~))
$4,430,000

General Fund--Federal Appropriation $6,014,000

Winter Recreation Program Account--State
Appropriation ..... ((~~$2,065,000~~))
$2,465,000

ORV and Nonhighway Vehicle Account--State Appropriation $215,000

Snowmobile Account--State Appropriation $4,859,000

Aquatic Lands Enhancement Account--State Appropriation $363,000

Parks Renewal and Stewardship Account--State
Appropriation ..... ((~~$103,065,000~~))

$105,935,000
Parks Renewal and Stewardship Account--Private/Local
Appropriation $300,000
Waste Reduction/Recycling/Litter Control Account--State
Appropriation $1,700,000
TOTAL APPROPRIATION ..... ((~~$127,089,000~~))
$130,589,000

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

(1) $79,000 of the general fund--state appropriation for fiscal year 2014 and $79,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant for the operation of the Northwest weather and avalanche center.

(2) Prior to closing any state park, the commission must notify all affected local governments and relevant nonprofit organizations of the intended closure and provide an opportunity for the notified local governments and nonprofit organizations to elect to acquire, or enter into, a maintenance and operating contract with the commission that would allow the park to remain open.

(3) The commission shall prepare a report on its efforts to increase revenue from all sources, including the discover pass. The report shall also include a status update on the fiscal health of the state parks system, and shall be submitted to the office of financial management and the appropriate committees of the legislature by October 28, 2013.

(4) $54,000 of the general fund--state appropriation for fiscal year 2014 and $51,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Substitute House Bill No. 2331 (public works payroll records). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(5) $25,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2192 (state agency permitting). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 304. 2013 2nd sp.s. c 4 s 304 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING BOARD

General Fund--State Appropriation (FY 2014) ..... ((~~$823,000~~))
$896,000
General Fund--State Appropriation (FY 2015) ..... ((~~$815,000~~))
$902,000
General Fund--Federal Appropriation $3,425,000
General Fund--Private/Local Appropriation ..... ((~~$24,000~~))
$124,000
Aquatic Lands Enhancement Account--State Appropriation $480,000
Firearms Range Account--State Appropriation $37,000
Recreation Resources Account--State Appropriation ..... ((~~$3,086,000~~))
$3,165,000
NOVA Program Account--State Appropriation $964,000
TOTAL APPROPRIATION ..... ((~~$9,654,000~~))
$9,993,000

Sec. 305. 2013 2nd sp.s. c 4 s 305 (uncodified) is amended to read as follows:

FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE

General Fund--State Appropriation (FY 2014) ..... ((~~$2,227,000~~))
$2,210,000
General Fund--State Appropriation (FY 2015) ..... ((~~$2,147,000~~))
$2,192,000
TOTAL APPROPRIATION ..... ((~~$4,374,000~~))
$4,402,000

Sec. 306. 2013 2nd sp.s. c 4 s 306 (uncodified) is amended to read as follows:

FOR THE CONSERVATION COMMISSION

General Fund--State Appropriation (FY 2014) ..... ((~~$6,841,000~~))
$6,819,000
General Fund--State Appropriation (FY 2015) ..... ((~~$6,738,000~~))
$6,760,000
General Fund--Federal Appropriation $2,301,000
State Toxics Control Account--State Appropriation $1,000,000
TOTAL APPROPRIATION $16,880,000

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

(1) Within the amounts appropriated in this section, the conservation commission, in consultation with conservation districts, must submit to the office of financial management and legislative fiscal committees by December 10, 2013, a report outlining opportunities to minimize districts' overhead costs, including consolidation of conservation districts within counties in which there is more than one district. The report must include details on the anticipated future savings that could be expected from implementing these efficiencies starting on July 1, 2014.

(2) $300,000 of the general fund--state appropriation for fiscal year 2014 and $246,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement the voluntary stewardship program in Thurston and Chelan counties. These amounts may not be used to fund agency indirect and administrative expenses.

(3) $1,000,000 of the general fund--federal appropriation is provided solely to implement the voluntary stewardship program statewide. The commission shall place the appropriation in this subsection in unallotted status, and may not allot any of these funds until the federal government has provided funding to the commission for the purpose of implementing the voluntary stewardship program.

(4) The conservation commission must evaluate the current system for the election of conservation district board supervisors and recommend improvements to ensure the highest degree of public involvement in these elections. The commission must engage with stakeholder groups and conservation districts to gather a set of options for improvement to district elections, which must include an option aligning district elections with state and local general elections. The commission must submit a report detailing the options to the office of financial management and appropriate committees of the legislature by December 10, 2013.

(5) $975,000 of the general fund--state appropriation for fiscal year 2014 and $975,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for state conservation commission category one funding distribution to conservation districts in the amount of $25,000 in fiscal year 2014 and $25,000 in fiscal year 2015 for each county. If a county contains only one conservation district, the county may receive more funding at the discretion of the state conservation commission.

(6) The state conservation commission may provide additional funding to a conservation district if the conservation district conducts elections at such times as and consistent with the general election law, chapter 29A.04 RCW.

Sec. 307. 2013 2nd sp.s. c 4 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund--State Appropriation (FY 2014) ..... ((~~$30,321,000~~)) $30,732,000

General Fund--State Appropriation (FY 2015) ..... ((~~$28,999,000~~)) $30,291,000

General Fund--Federal Appropriation ..... ((~~$107,585,000~~)) $107,914,000

General Fund--Private/Local Appropriation ..... ((~~$58,784,000~~)) $58,680,000

ORV and Nonhighway Vehicle Account--State Appropriation $397,000

Aquatic Lands Enhancement Account--State Appropriation ..... ((~~$15,919,000~~)) $15,941,000

Recreational Fisheries Enhancement--State Appropriation ..... ((~~$2,590,000~~)) $2,617,000

Environmental Legacy Stewardship Account--State Appropriation $1,224,000

Warm Water Game Fish Account--State Appropriation ..... ((~~$2,507,000~~)) $2,509,000

Eastern Washington Pheasant Enhancement Account--State Appropriation $849,000

Aquatic Invasive Species Enforcement Account--State Appropriation $209,000

Aquatic Invasive Species Prevention Account--State Appropriation $737,000

State Wildlife Account--State Appropriation ..... ((~~$103,460,000~~)) $103,522,000

Special Wildlife Account--State Appropriation $2,405,000

Special Wildlife Account--Federal Appropriation $500,000

Special Wildlife Account--Private/Local Appropriation $3,446,000

Wildlife Rehabilitation Account--State Appropriation $259,000

Hydraulic Project Approval Account--State Appropriation ..... ((~~$674,000~~)) $966,000

Regional Fisheries Enhancement Salmonid Recovery Account--Federal Appropriation $5,001,000

Oil Spill Prevention Account--State Appropriation ..... ((~~$917,000~~)) $941,000

Oyster Reserve Land Account--State Appropriation $773,000

TOTAL APPROPRIATION ..... ((~~$367,556,000~~)) $369,913,000

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

(1) ((~~$130,000~~)) $675,000 of the general fund--state appropriation for fiscal year 2014 and $130,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to pay for emergency fire suppression costs. These amounts may not be used to fund agency indirect and administrative expenses.

(2) Prior to submitting its 2015-2017 biennial operating and capital budget request related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review this request. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests

are being made in the most cost effective manner. The department shall provide a copy of the HSRG review to the office of financial management with their agency budget proposal.

(3) $400,000 of the general fund--state appropriation for fiscal year 2014 and $400,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. army corps of engineers.

(4) Within the amounts appropriated in this section, the department shall identify additional opportunities for partnerships in order to keep fish hatcheries operational. Such partnerships shall aim to maintain fish production and salmon recovery with less reliance on state operating funds.

(5) During the 2013-2015 fiscal biennium, the department must retain ownership and continue to occupy the downtown Olympia office building at 600 Capitol Way.

(6) $1,000,000 of the state wildlife account--state appropriation is provided solely to the department for resources that serve to promote and engage nonlethal deterrence methods relating to wolf and livestock interaction with a priority given to funding cooperative agreements with livestock producers, and of this amount, $250,000 in fiscal year 2014 is provided solely for compensation for injury or loss of livestock caused by wolves as prescribed in chapter 77.36 RCW.

(7) $100,000 of the state wildlife account--state appropriation is provided solely for the transfer of trout from the Clarks creek hatchery to the Lakewood hatchery.

(8) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the production of steelhead, coho, and Chinook salmon at the Clarks creek hatchery.

(9) $200,000 of the state wildlife account--state appropriation, $50,000 of the general fund--state appropriation for fiscal year 2014, and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to increase production of juvenile fall Chinook on the Cowlitz river. The funds provided may be used to match or leverage funds from private or public sources for the same purpose.

(10) $596,000 of the general fund--state appropriation for fiscal year 2014 and $596,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for weed assessments and for payments in lieu of real property taxes to counties that elect to receive the payments for department owned game lands within the county.

(11) $10,000 of the aquatic lands enhancement account--state appropriation is provided solely for development of an aquatic invasive species passport program to improve the efficiency and effectiveness of watercraft inspections by expediting aquatic invasive species watercraft inspections for watercraft at low risk of transmitting invasive species and prioritizing the use of available resources for the inspection of high risk vessels.

(12) Within the amounts appropriated in this section, the department must deploy additional wildlife conflict specialists to provide landowner assistance and address wildlife conflicts, with at least one additional specialist primarily assigned to each of the following areas: Administrative region six of the department; Okanogan and Chelan counties in administrative region two of the department; and Whatcom and Skagit counties in administrative region four of the department.

(13) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of House Bill No. 1112 (science and public policy). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(14) Within the amounts appropriated in this section the department shall work with the regional fisheries enhancement groups to identify a revenue source or sources capable of providing long-term funding to support the community-based salmon restoration work of regional fisheries enhancement groups. The department shall work with the regional fisheries enhancement group coalition to submit a report to the office of financial management and the appropriate legislative committees by December 1, 2013, with the outcomes and recommendations.

(15) $24,000 of the oil spill prevention account--state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2347 (oil transportation safety). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 308. 2013 2nd sp.s. c 4 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

General Fund--State Appropriation (FY 2014) ..... ((~~$42,515,000~~))
$51,674,000

General Fund--State Appropriation (FY 2015) ..... ((~~$45,092,000~~))
$45,073,000

General Fund--Federal Appropriation $26,963,000

General Fund--Private/Local Appropriation $2,372,000

Forest Development Account--State Appropriation ..... ((~~$49,054,000~~))
$50,687,000

ORV and Nonhighway Vehicle Account--State Appropriation $4,494,000

Surveys and Maps Account--State Appropriation ..... ((~~$2,170,000~~))
$1,680,000

Aquatic Lands Enhancement Account--State
Appropriation ..... ((~~$3,634,000~~))
$3,628,000

Snowmobile Account--State Appropriation $100,000

Environmental Legacy Stewardship Account--State
Appropriation $3,948,000

Resources Management Cost Account--State
Appropriation ..... ((~~$111,073,000~~))
$116,498,000

Surface Mining Reclamation Account--State
Appropriation ..... ((~~$3,972,000~~))
$3,969,000

Disaster Response Account--State Appropriation $5,000,000
Forest and Fish Support Account--State Appropriation $11,759,000
Aquatic Land Dredged Material Disposal Site
Account--State Appropriation ..... ((~~$843,000~~)) $463,000
Natural Resources Conservation Areas Stewardship
Account--State Appropriation $34,000
Marine Resources Stewardship Trust Account--State
Appropriation $3,700,000
State Toxics Control Account--State Appropriation $80,000
Forest Practices Application Account--State
Appropriation $1,697,000
Air Pollution Control Account--State Appropriation $785,000
NOVA Program Account--State Appropriation $950,000
Derelict Vessel Removal Account--State Appropriation $1,770,000
Agricultural College Trust Management Account--State
Appropriation $2,712,000
TOTAL APPROPRIATION ..... ((~~$324,717,000~~)) $340,036,000

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

(1) $1,389,000 of the general fund--state appropriation for fiscal year 2014 and $1,323,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) ((~~$19,099,000~~)) $28,271,000 of the general fund--state appropriation for fiscal year 2014, $19,099,000 of the general fund-- state appropriation for fiscal year 2015, and $5,000,000 of the disaster response account--state appropriation are provided solely for emergency fire suppression. None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations. The department of natural resources shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from the disaster response account. This work shall be done in coordination with the military department.

(3) $5,000,000 of the forest and fish support account--state appropriation is provided solely for outcome-based, performance contracts with tribes to participate in the implementation of the forest practices program. Contracts awarded may only contain indirect costs set at or below the rate in the contracting tribe's indirect cost agreement with the federal government. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse.

(4) $518,000 of the forest and fish support account--state appropriation is provided solely for outcome-based performance contracts with nongovernmental organizations to participate in the implementation of the forest practices program. Contracts awarded may only contain indirect cost set at or below a rate of eighteen percent.

(5) $717,000 of the forest and fish support account--state appropriation is provided solely to fund interagency agreements with the department of ecology and the department of fish and wildlife as part of the adaptive management process.

(6) $440,000 of the state general fund--state appropriation for fiscal year 2014 and $440,000 of the state general fund--state appropriation for fiscal year 2015 are provided solely for forest work crews that support correctional camps and are contingent upon continuing operations of Naselle youth camp.

(7) $2,382,000 of the resource management cost account--state appropriation is for addressing the growing backlog of expired aquatic leases and new aquatic lease applications. The department shall implement a Lean process to improve the lease review process and further reduce the backlog, and submit a report on its progress in addressing the backlog and implementation of the Lean process to the governor and the appropriate committees of the legislature by October 1, 2013.

(8) $1,948,000 of the environmental legacy stewardship account-- state appropriation is provided solely for the department to pay a portion of the costs to complete remedial investigation work at Whitmarsh landfill and Mill site A and perform final-year maintenance of the Olympic view triangle site in Commencement Bay.

(9) $265,000 of the resources management cost account--state appropriation is provided solely for implementation of Second Substitute House Bill No. 1764 (geoduck diver licenses). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(10) $425,000 of the derelict vessel removal account--state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1245 (derelict and abandoned vessels). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(11) $3,700,000 of the marine resources stewardship trust account-- state appropriation is provided solely for implementation of priority marine management planning efforts including mapping activities, ecological assessment, data tools, stakeholder engagement, and all other work identified in Engrossed Senate Bill No. 5603 (marine advisory councils) during the 2013-2015 fiscal biennium.

Sec. 309. 2013 2nd sp.s. c 4 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

General Fund--State Appropriation (FY 2014) ..... ((~~$15,300,000~~)) $15,274,000
General Fund--State Appropriation (FY 2015) ..... ((~~$15,294,000~~)) $16,333,000
General Fund--Federal Appropriation ..... ((~~$23,098,000~~)) $23,054,000

General Fund--Private/Local Appropriation..... $192,000
Aquatic Lands Enhancement Account--State
Appropriation ..... ((~~$2,837,000~~))
$2,839,000
State Toxics Control Account--State Appropriation..... ((~~$5,203,000~~))
$5,206,000
Water Quality Permit Account--State Appropriation ..... ((~~$70,000~~))
$73,000
TOTAL APPROPRIATION..... ((~~$61,994,000~~))
$62,971,000

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

(1) $5,308,445 of the general fund--state appropriation for fiscal year 2014 and ((~~$5,302,905~~)) $6,302,905 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementing the food assistance program as defined in RCW 43.23.290.

(2) Pursuant to RCW 43.135.055 and 16.57.220, the department is authorized to institute livestock inspection fees in the 2013-2015 fiscal biennium for calves less than thirty days old.

(3) Pursuant to RCW 43.135.055 and 16.36.150, the department is authorized to establish a fee for the sole purpose of purchasing and operating a database and any other technology or software needed to administer animal disease traceability activities for cattle sold or slaughtered in the state or transported out of the state.

(4) Within the amounts appropriated in this section, the department of agriculture must convene and facilitate a work group with appropriate stakeholders to review fees supporting programs within the department that are also supported with state general fund. In developing strategies to make the program work more self-supporting, the workgroup will consider, at minimum, the length of time since the last fee increase, similar fees that exist in neighboring states, and fee increases that will ensure reasonable competitiveness in the respective industries. The workgroup must submit a report containing recommendations that will make each of the fee supported programs within the department less reliant on state general fund to the office of financial management and legislative fiscal committees by December 1, 2013.

(5) $72,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of House Bill No. 2405 (hemp/commercial animal feed). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 310. 2013 2nd sp.s. c 4 s 310 (uncodified) is amended to read as follows:

FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM

Pollution Liability Insurance Program Trust
Account--State Appropriation..... ((~~$987,000~~))
$1,000,000

Sec. 311. 2013 2nd sp.s. c 4 s 311 (uncodified) is amended to read as follows:

FOR THE PUGET SOUND PARTNERSHIP

General Fund--State Appropriation (FY 2014) ..... ((~~$2,416,000~~))
$2,398,000
General Fund--State Appropriation (FY 2015) ..... ((~~$2,318,000~~))
$2,403,000
General Fund--Federal Appropriation ..... ((~~$11,570,000~~))
$11,630,000
Aquatic Lands Enhancement Account--State Appropriation $1,920,000
State Toxics Control Account--State Appropriation..... ((~~$676,000~~))
$682,000
TOTAL APPROPRIATION..... ((~~$18,900,000~~))
$19,033,000

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

(1) $788,000 of the aquatic lands enhancement account--state appropriation is provided solely for coordinating a study of Puget Sound juvenile steelhead marine survival conducted by the department of fish and wildlife and based on a study plan developed in cooperation with federal, tribal, and nongovernmental entities.

(2) By October 1, 2014, the Puget Sound partnership shall provide the governor a single, prioritized list of state agency 2015-2017 capital and operating budget requests related to Puget Sound restoration.

(End of part)

PART IV

TRANSPORTATION

Sec. 401. 2013 2nd sp.s. c 4 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2014) ..... ((~~$1,103,000~~))
$1,087,000
General Fund--State Appropriation (FY 2015) ..... ((~~$1,341,000~~))

$1,326,000
Architects' License Account--State Appropriation $902,000
Professional Engineers' Account--State
Appropriation ..... ((~~$3,558,000~~))
$3,545,000
Real Estate Commission Account--State Appropriation ..... ((~~$9,929,000~~))
$9,935,000
Uniform Commercial Code Account--State
Appropriation ..... ((~~$3,154,000~~))
$3,145,000
Real Estate Education Account--State Appropriation $276,000
Real Estate Appraiser Commission Account--State
Appropriation ..... ((~~$1,703,000~~))
$1,705,000
Business and Professions Account--State
Appropriation ..... ((~~$17,454,000~~))
$17,596,000
Funeral and Cemetery Account--State Appropriation $5,000
Landscape Architects' License Account--State Appropriation $4,000
Appraisal Management Company Account--State
Appropriation $4,000
Real Estate Research Account--State Appropriation $415,000
Wildlife Account--State Appropriation $32,000
Geologists' Account--State Appropriation $52,000
Derelict Vessel Removal Account--State Appropriation $31,000
TOTAL APPROPRIATION ..... ((~~$39,963,000~~))
$40,060,000

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

(1) $566,000 of the business and professions account--state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 1552 (scrap metal theft reduction). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(2) $166,000 of the business and professions account--state appropriation in fiscal year 2014 only is provided solely for the implementation of Substitute House Bill No. 1779 (esthetics). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(3) $592,000 of the business and professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1822 (debt collection practices). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(4) $32,000 of the state wildlife account--state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5193 (wolf conflict management). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(5) $112,000 of the business and professions account--state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 2512 (cosmetology, hair design, etc.). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 402. 2013 2nd sp.s. c 4 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund--State Appropriation (FY 2014) ..... ((~~$34,653,000~~))
$35,679,000
General Fund--State Appropriation (FY 2015) ..... ((~~$32,485,000~~))
$34,407,000
General Fund--Federal Appropriation ..... ((~~$16,189,000~~))
$15,882,000
General Fund--Private/Local Appropriation $3,020,000
Death Investigations Account--State Appropriation ..... ((~~$9,956,000~~))
$9,960,000
Enhanced 911 Account--State Appropriation $3,480,000
County Criminal Justice Assistance Account--State
Appropriation $3,332,000
Municipal Criminal Justice Assistance Account--State
Appropriation $1,351,000
Fire Service Trust Account--State Appropriation $131,000
Disaster Response Account--State Appropriation $8,000,000
Fire Service Training Account--State Appropriation $9,797,000
Aquatic Invasive Species Enforcement Account--State
Appropriation $54,000
State Toxics Control Account--State Appropriation $516,000
Fingerprint Identification Account--State
Appropriation ..... ((~~$10,747,000~~))
$10,841,000
Vehicle License Fraud Account--State Appropriation ..... ((~~$447,000~~))

$337,000

TOTAL APPROPRIATION ..... ((~~$134,158,000~~)) $136,787,000

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

(1) $200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) $8,000,000 of the disaster response account--state appropriation is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 through 43.43.964. The state patrol shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from this account. This work shall be done in coordination with the military department.

(3) $700,000 of the fire service training account--state appropriation is provided solely for the firefighter apprenticeship training program.

(4) $3,480,000 of the enhanced 911 account--state appropriation is provided solely for upgrades to the Washington state identification system and the Washington crime information center. Amounts provided in this subsection may not be expended until the office of the chief information officer approves a plan to move the Washington state patrol's servers and data center equipment into the state data center in the 1500 Jefferson building, and the office of the chief information officer certifies that the Washington state patrol has begun the move. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(5) $154,000 of the fingerprint identification account--state appropriation is provided solely for implementation of Substitute House Bill No. 1612 (firearms offenders). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(6) $94,000 of the fingerprint identification account--state appropriation is provided solely for implementation of House Bill No. 2534 (fingerprint background checks). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(End of part)

PART V

EDUCATION

Sec. 501. 2013 2nd sp.s. c 4 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2014) ..... ((~~$27,264,000~~)) $27,325,000

General Fund--State Appropriation (FY 2015) ..... ((~~$26,041,000~~)) $27,394,000

General Fund--Federal Appropriation ..... ((~~$63,826,000~~)) $71,064,000

General Fund--Private/Local Appropriation $4,005,000

Performance Audits of Government Account--State Appropriation $200,000

TOTAL APPROPRIATION ..... ((~~$121,336,000~~)) $129,988,000

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

(1) A maximum of ((~~$16,881,000~~)) $17,048,000 of the general fund-- state appropriation for fiscal year 2014 and ((~~$16,602,000~~)) $17,595,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) ((~~$8,846,000~~)) $9,013,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$8,910,000~~)) $8,838,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

(iii) By September of each year, the office of the superintendent of public instruction shall produce an annual status report of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of staff, number of contractors, status of proviso implementation, number of beneficiaries by year, list of beneficiaries, and proviso outcomes and achievements.

(iv) The superintendent of public instruction shall update the program prepared and distributed under RCW 28A.230.150 for the observation of temperance and good citizenship day to include providing an opportunity for eligible students to register to vote at school.

((~~(vi) Appropriations in this section are sufficient for the office of the superintendent of public instruction to conduct ongoing consolidated program reviews of alternative learning experience programs and dropout reengagement programs established under chapter 20, Laws of 2010. The office of the superintendent of public instruction shall include alternative learning education and dropout reengagement programs in their~~

~~ongoing consolidated program reviews, as well as provide outreach and training to school districts regarding implementation of the programs. Findings from the program reviews will be used to support and prioritize office of the superintendent outreach and education efforts that assist school districts in implementing the programs in accordance with statute and legislative intent, as well as to support financial and performance audit work conducted by the office of the state auditor.~~))

(b) $1,017,000 of the general fund--state appropriation for fiscal year 2014 and $1,017,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for activities associated with the implementation of new school finance systems required by chapter 236, Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009 (state's education system), including technical staff, systems reprogramming, and workgroup deliberations, including the quality education council and the data governance working group.

(c) $1,012,000 of the general fund--state appropriation for fiscal year 2014 and $1,012,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Of these amounts, $161,000 of the general fund--state appropriation for fiscal year 2014 and $161,000 of the general fund-- state appropriation for fiscal year 2015 are provided for implementation of Initiative Measure No. 1240 (charter schools).

(d) $1,325,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$1,325,000~~)) $1,642,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to the professional educator standards board for the following:

(i) $1,050,000 in fiscal year 2014 and $1,050,000 in fiscal year 2015 are for the operation and expenses of the Washington professional educator standards board;

(ii) $250,000 of the general fund--state appropriation for fiscal year 2014 and $250,000 of the general fund--state appropriation for fiscal year 2015 are for mentor stipends provided through the alternative routes to certification program administered by the professional educator standards board, including the pipeline for paraeducators program and the retooling to teach conditional loan programs. Funding within this subsection (1)(d)(ii) is also provided for the recruiting Washington teachers program; ((~~and~~))

(iii) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the professional educator standards board to develop educator interpreter standards and identify interpreter assessments that are available to school districts. Interpreter assessments should meet the following criteria: (A) Include both written assessment and performance assessment; (B) be offered by a national organization of professional sign language interpreters and transliterators; and (C) be designed to assess performance in more than one sign system or sign language. The board shall establish a performance standard, defining what constitutes a minimum assessment result, for each educational interpreter assessment identified. The board shall publicize the standards and assessments for school district use;

(iv) $24,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the professional educator standards board to: (A) Disseminate information about principles of language acquisition as a critical knowledge and skill for educators in support of instruction for English language learners; and (B) in conjunction with the office of the superintendent of public instruction, revise the model framework and curriculum for high school career and technical education courses related to careers in education to incorporate standards of cultural competence, new research on educator preparation, and curriculum and activities from the recruiting Washington teacher program; and

(v) $293,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of Substitute House Bill No. 2365 (paraeducator development). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(e) $133,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$133,000~~)) $266,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of chapter 240, Laws of 2010, including staffing the office of equity and civil rights.

(f) $50,000 of the general fund--state appropriation for fiscal year 2014 and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the ongoing work of the education opportunity gap oversight and accountability committee.

(g) $45,000 of the general fund--state appropriation for fiscal year 2014 and $45,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of chapter 380, Laws of 2009 (enacting the interstate compact on educational opportunity for military children).

(h) $131,000 of the general fund--state appropriation for fiscal year 2014 and $131,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of Initiative Measure No. 1240 (charter schools).

(i) $1,826,000 of the general fund--state appropriation for fiscal year 2014 and $1,802,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementing a comprehensive data system to include financial, student, and educator data, including development and maintenance of the comprehensive education data and research system (CEDARS).

(j) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for project citizen, a program sponsored by the national conference of state legislatures and the center for civic education to promote participation in government by middle school students.

(k) $1,500,000 of the general fund--state appropriation for fiscal year 2014 and $1,500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for collaborative schools for innovation and success authorized under chapter 53, Laws of 2012. The office of the superintendent of public instruction shall award $500,000 per year in funding for each collaborative school for innovation and success selected for participation in the pilot program during 2012.

(l) $123,000 of the general fund--state appropriation for fiscal year 2014 and $123,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of chapter 163, Laws of 2012 (foster care outcomes). The office of the superintendent of public instruction shall annually report each December on the implementation of the state's plan of cross-system collaboration to promote educational stability and improve education outcomes of foster youth.

(m) $250,000 of the general fund--state appropriation for fiscal year 2014 and $250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of chapter 178, Laws of 2012 (open K-12 education resources).

(n) $93,000 of the general fund--state appropriation for fiscal year 2014 and $93,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for chapter 185, Laws of 2011 (bullying prevention, which requires the office of the superintendent of public instruction to convene an ongoing workgroup on school bullying and harassment prevention. Within the amounts provided, $140,000 is for youth suicide prevention activities.

(o) $138,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of House Bill No. 1336 (troubled youth in school). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(p) $68,000 of the general fund--state appropriation for fiscal year 2014 and $14,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of House Bill No. 1134 (state-tribal education compacts). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(q) $62,000 of the general fund--state appropriation for fiscal year 2014 and $62,000 of the general fund--state appropriation for fiscal year 2015 are for competitive grants to school districts to increase the capacity of high schools to offer AP computer science courses. In making grant allocations, the office of the superintendent of public instruction must give priority to schools and districts in rural areas, with substantial enrollment of low-income students, and that do not offer AP computer science. School districts may apply to receive either or both of the following grants:

(i) A grant to establish partnerships to support computer science professionals from private industry serving on a voluntary basis as coinstructors along with a certificated teacher, including via synchronous video, for AP computer science courses; or

(ii) A grant to purchase or upgrade technology and curriculum needed for AP computer science, as well as provide opportunities for professional development for classroom teachers to have the requisite knowledge and skills to teach AP computer science.

(r) $27,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of House Bill No. 1556 (cardiac arrest education).

(s) $50,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the development of recommendations for funding integrated school nursing and outreach services. The office of the superintendent of public instruction shall collaborate with the health care authority to develop recommendations for increasing federal financial participation for providing nursing services in schools with the goals of integrating nursing and outreach services and supporting one nurse for every four-hundred fifty students in elementary schools and one nurse for every seven-hundred fifty students in secondary schools. The recommendations shall include proposals for funding training and reimbursement for nurses that provide outreach services to help eligible students enroll in apple health for kids and other social services programs. The authority and the office of the superintendent of public instruction shall provide these recommendations to the governor and the legislature by December 1, 2013.

(t) $50,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the office of the superintendent of public instruction to contract with an organization to develop a model plan for evaluating the outcomes of state funded pilot education programs, including guidelines for standard data that must be gathered throughout any education pilot program, as well as guidance for data and evaluation methods depending on the design of the program and the target population. The contract must also include a provision to provide guidance for the evaluation of existing pilot programs.

(u) $10,000 of the general fund--state appropriation for fiscal year 2014 and $10,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the superintendent of public instruction to convene a committee for the selection and recognition of Washington innovative schools. The committee shall select and recognize Washington innovative schools based on the selection criteria established by the office of the superintendent of public instruction, in accordance with chapter 202, Laws of 2011 (innovation schools-- recognition) and chapter 260, Laws of 2011 (innovation schools and zones).

(v) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Mobius science center to expand mobile outreach of science, technology, engineering, and mathematics (STEM) education to students in rural, tribal, and low-income communities.

(w) $28,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of the superintendent of public instruction to create a clearinghouse of research-based best practices for school districts to provide academic and nonacademic support for students while they are subject to disciplinary action and after their reengagement in school.

(x) $49,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of the superintendent of public instruction, in collaboration with the educational opportunity gap oversight and accountability committee, the professional educator standards board, colleges of education, and representatives from diverse communities and community-based organizations, to develop a content outline for professional development and training in cultural competence for school staff, which educational service districts and school districts are encouraged to use.

(y) $117,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of the superintendent of public instruction to convene a task force to design a performance- based assistance and accountability system for the transitional bilingual instruction program. The office must submit a report with recommendations from the task force to the education and fiscal committees of the legislature by January 15, 2016.

(z) $134,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of the superintendent of public instruction to perform on-going program reviews of alternative learning experience programs and dropout reengagement programs. Appropriations in this subsection are sufficient for the office of the superintendent of public instruction to conduct ongoing consolidated program reviews of alternative learning experience programs and dropout reengagement programs established under chapter 20, Laws of 2010. The office of the superintendent of public instruction shall include alternative learning education and dropout reengagement programs in its ongoing consolidated program reviews, as well as provide outreach and training to school districts regarding implementation of the programs. Findings from the program reviews will be used to support and prioritize the office of the superintendent of public instruction outreach and education efforts that assist school districts in implementing the programs in accordance with statute and legislative intent, as well as to support financial and performance audit work conducted by the office of the state auditor.

(aa) $287,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of Second Substitute House Bill No. 2540 (career and tech course equivalencies). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(bb) Appropriations in this section are sufficient for the office of the superintendent of public instruction to implement Second Substitute House Bill No. 2166 (students/military families).

(cc) Appropriations in this section are sufficient for the office of the superintendent of public instruction to implement Substitute House Bill No. 2536 (breakfast after the bell).

(dd) Appropriations in this section are sufficient for the office of the superintendent of public instruction to implement Engrossed Second Substitute House Bill No. 2383 (career and college readiness).

(2) $200,000 of the performance audits of government account--state appropriation is provided solely for a one-time workload increase to address additional audit resolutions and appeals in the alternative learning experience programs.

(3) $10,277,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$9,565,000~~)) $9,799,000 of the general fund--state appropriation for fiscal year 2015 are for statewide programs.

(a) HEALTH AND SAFETY

(i) $2,541,000 of the general fund--state appropriation for fiscal year 2014 and $2,541,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(ii) $135,000 of the general fund--state appropriation for fiscal year 2014 and $135,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a nonviolence and leadership training program provided by the institute for community leadership.

(b) TECHNOLOGY

$1,221,000 of the general fund--state appropriation for fiscal year 2014 and $1,221,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) GRANTS AND ALLOCATIONS

(i) $1,875,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$1,875,000~~)) $2,109,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(ii) $1,000,000 of the general fund--state appropriation for fiscal year 2014 and $1,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for contracting with a college scholarship organization with expertise in conducting outreach to students concerning eligibility for the Washington college bound scholarship consistent with chapter 405, Laws of 2007.

(iii) $1,000,000 of the general fund--state appropriation for fiscal year 2014 and $1,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for dropout prevention, intervention, and reengagement programs, including the jobs for America's graduates (JAG) program and the building bridges statewide program. Students in the foster care system shall be given priority by districts offering the jobs for America's graduates program.

(iv) $2,112,000 of the general fund--state appropriation for fiscal year 2014 and $1,400,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of chapter 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the development and implementation of the Washington kindergarten inventory of developing skills (WaKIDS).

(v) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to subsidize advanced placement exam fees and international baccalaureate class fees and exam fees for low-income students. To be eligible for the subsidy, a student must be either enrolled or eligible to participate in the federal free or reduced price lunch program, and the student must have maximized the allowable federal contribution. The office of the superintendent of public instruction shall set the subsidy in an amount so that the advanced placement exam fee does not exceed $15.00 and the combined class and exam fee for the international baccalaureate does not exceed $14.50.

(vi) $293,000 of the general fund--state appropriation for fiscal year 2014 and $293,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the office of the superintendent of public instruction to support ((~~the dissemination of the navigation 101 curriculum to all districts~~)) district implementation of comprehensive guidance and planning programs consistent with RCW 28A.600.045.

Sec. 502. 2013 2nd sp.s. c 4 s 502 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT

General Fund--State Appropriation (FY 2014) ..... ((~~$5,395,289,000~~)) $5,386,820,000

General Fund--State Appropriation (FY 2015) ..... ((~~$5,581,336,000~~)) $5,571,788,000

Education Legacy Trust Account--State Appropriation ..... ((~~$328,563,000~~)) $410,655,000

TOTAL APPROPRIATION ..... ((~~$11,305,188,000~~)) $11,369,263,000

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

(1)(a) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) For the 2013-14 and 2014-15 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary schedules in sections 502 and 503 of this act, excluding (c) of this subsection.

(c) From July 1, 2013, to August 31, 2013, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp. sess., as amended.

(d) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. Any school district concluding its basic education program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2013-14 and 2014-15 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260, except that the allocation for guidance counselors in a middle school shall be 1.216 and the allocation for guidance counselors in a high school shall be 2.009, which enhancements are within the program of basic education. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:

Grade	RCW 28A.150.260	2013-14 School Year	2014-15 School Year
Grades K-3		25.23	25.23
Grade 4		27.00	27.00
Grades 5-6		27.00	27.00
Grades 7-8		28.53	28.53
Grades 9-12		28.74	28.74

The superintendent shall base allocations for career and technical education (CTE) and skill center programs average class size as provided in RCW 28A.150.260.

(ii) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

(A) General education class size in high poverty schools:

Grade	RCW 28A.150.260
Grade 2	24.10
Grade 3	24.10
Grade 4	27.00
Grades 5-6	27.00
Grades 7-8	28.53
Grades 9-12	28.74

(B) For grades K-1, class size of 20.85 is provided for high poverty schools for the 2013-14 school year;

(C) For grades K through 1, the superintendent shall, at a minimum, allocate funding to high-poverty schools for the 2014-15 school year based on an average class size of 24.10 full-time equivalent students per teacher. The superintendent shall provide enhanced funding for class size reduction in grades K through 1 to the extent of, and proportionate to, the school's demonstrated actual average class size up to a class size of 20.30 full-time equivalent students per teacher. The office of the superintendent of public instruction shall develop rules to implement the enhanced funding authorized under (ii)(C) of this subsection and shall distribute draft rules for review no later than December 1, 2013. The office of the superintendent of public instruction shall report the draft rules and proposed methodology to the governor and the appropriate policy and fiscal committees of the legislature by December 1, 2013.

(D) The enhancement in this subsection (2)(c)(ii) is within the program of basic education.

(iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is:

(A) 13.42 percent in grades K-6((~~, and 16.67 percent in grades 7-12; and~~)) for the 2013-14 and 2014-15 school years; and

(B) 16.67 percent in grades 7-12 for the 2013-14 school year, and 22.14 percent in grades 7-12 for the 2014-15 school year. The enhancement in this subsection (2)(c)(iii)(B) is within the program of basic education and is sufficient to fund increased instructional hours under 28A.150.220(2)(a). School districts shall implement the increased instructional hours for the program of basic education required under the provisions of RCW 28A.150.220(2)(a) beginning with the 2014-15 school year.

(iv) Laboratory science, advanced placement, and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260 and (a) of this subsection and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 students:

Career and Technical Education
students..... 2.02 per 1000 student FTE's
Skill Center students ..... 2.36 per 1000 student FTE's

(3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2013-14 and 2014-15 school years for general education students are determined using the formula generated staff units calculated pursuant to this subsection. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent enrollment in each grade. The following prototypical school values shall determine the allocation for principals, assistance principals, and other certificated building level administrators:

Prototypical School Building:

Elementary School	1.253
Middle School	1.353
High School	1.880

(b) Students in approved career and technical education and skill center programs generate certificated school building-level administrator staff units at per student rates that are a multiple of the general education rate in (a) of this subsection by the following factors: Career and Technical Education students 1.025
Skill Center students 1.198

(4) CLASSIFIED STAFF ALLOCATIONS

Allocations for classified staff units providing school building- level and district-wide support services for the 2013-14 and 2014-15 school years are determined using the formula-generated staff units provided in RCW 28A.150.260, and adjusted based on each district's annual average full-time equivalent student enrollment in each grade, except that the allocation for parent involvement coordinators in an elementary school shall be 0.0825, which enhancement is within the program of basic education.

(5) CENTRAL OFFICE ALLOCATIONS

In addition to classified and administrative staff units allocated in subsections (3) and (4) of this section, classified and administrative staff units are provided for the 2013-14 and 2014-15 school year for the central office administrative costs of operating a school district, at the following rates:

(a) The total central office staff units provided in this subsection (5) are calculated by first multiplying the total number of eligible certificated instructional, certificated administrative, and classified staff units providing school-based or district-wide support services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

(b) Of the central office staff units calculated in (a) of this subsection, 74.53 percent are allocated as classified staff units, as generated in subsection (4) of this section, and 25.47 percent shall be allocated as administrative staff units, as generated in subsection (3) of this section.

(c) Staff units generated as enhancements outside the program of basic education to the minimum requirements of RCW 28A.150.260, and staff units generated by skill center and career-technical students, are excluded from the total central office staff units calculation in (a) of this subsection.

(d) For students in approved career-technical and skill center programs, central office classified units are allocated at the same staff unit per student rate as those generated for general education students of the same grade in this subsection (5), and central office administrative staff units are allocated at staff unit per student rates that exceed the general education rate established for students in the same grade in this subsection (5) by 1.71 percent in the 2013-14 school year and ((~~2.00~~)) 1.99 percent in the 2014-15 school year for career and technical education students, and ((~~21.60~~)) 21.57 percent in the 2013-14 school year and ((~~15.98~~)) 16.00 percent in the 2014-15 school year for skill center students.

(6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of 18.68 percent in the 2013-14 school year and 18.68 percent in the 2014-15 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of 20.95 percent in the 2013-14 school year and 20.95 percent in the 2014-15 school year for classified salary allocations provided under subsections (4) and (5) of this section.

(7) INSURANCE BENEFIT ALLOCATIONS

Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504 of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsections (2), (3), and (5) of this section; and

(b) The number of classified staff units determined in subsections (4) and (5) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

Funding is allocated per annual average full-time equivalent student for the materials, supplies, and operating costs (MSOC) incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2013-14 SCHOOL YEAR	2014-15 SCHOOL YEAR
Technology	$77.46	((~~$82.16~~)) $89.13
Utilities and Insurance	$210.46	((~~$223.23~~)) $242.18
Curriculum and Textbooks	$83.17	((~~$88.21~~)) $95.69
Other Supplies and Library Materials	$176.56	((~~$187.27~~)) $203.16
Instructional Professional Development for Certificated and Classified Staff	$12.86	((~~$13.64~~)) $14.80
Facilities Maintenance	$104.27	((~~$110.59~~)) $119.97
Security and Central Office	$72.24	((~~$76.62~~)) $83.12
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	$737.02	((~~$781.72~~)) $848.04

(b) Students in approved skill center programs generate per student FTE MSOC allocations of $1,244.25 for the 2013-14 school year and ((~~$1,262.92~~)) $1,260.41 for the 2014-15 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation of $1,399.30 for the 2013-14 school year and ((~~$1,420.29~~)) $1,417.48 for the 2014-15 school year.

(d) Students in laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2013-14 and 2014-15 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of $151.86.

(10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section from July 1, 2013, to August 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of 2011 1st sp. sess. (allocation of funding for funding for students enrolled in alternative learning experiences).

(b) Amounts provided in this section beginning September 1, 2013, are adjusted to reflect modifications to alternative learning experience courses in Engrossed Substitute Senate Bill No. 5946 (student educational outcomes).

(c) The superintendent of public instruction shall require all districts receiving general apportionment funding for alternative learning experience (ALE) programs as defined in WAC 392-121-182 to provide separate financial accounting of expenditures for the ALE programs offered in district or with a provider, including but not limited to private companies and multidistrict cooperatives, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

(11) DROPOUT REENGAGEMENT PROGRAM

The superintendent shall adopt rules to require students claimed for general apportionment funding based on enrollment in dropout reengagement programs authorized under RCW 28A.175.100 through 28A.175.115 to meet requirements for at least weekly minimum instructional contact, starting with the 2014-15 school year. Districts must also provide separate financial accounting of expenditures for the programs offered by the district or under contract with a provider, as well as accurate monthly headcount and full-time equivalent enrollment claimed for basic education, including separate enrollment counts of resident and nonresident students.

(12) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

Funding in this section is sufficient to fund voluntary full day kindergarten programs in qualifying high poverty schools, pursuant to RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls for the voluntary full-day program in a qualifying school shall count as

one-half of one full-time equivalent student for purpose of making allocations under this section. Funding in this section provides full- day kindergarten programs for 43.75 percent of kindergarten enrollment in the 2013-14 school year and 43.75 percent in the 2014-15 school year, which enhancement is within the program of basic education.

~~((12) INCREASED INSTRUCTIONAL HOURS FOR GRADES SEVEN THROUGH TWELVE~~

~~(a) School districts shall implement the increased instructional hours for the instructional program of basic education required under the provisions of RCW 28A.150.220(2)(a) beginning with the 2014-15 school year, which enhancement is within the program of basic education.~~

~~(b) Amounts provided in this section are sufficient to fund increased instructional hours in grades seven through twelve. For the 2014-15 school year, the superintendent shall allocate funding to school districts for increased instructional hours. In calculating the allocations, the superintendent shall assume the following averages: (a) Additional instruction of 2.2222 hours per week per full-time equivalent student in grades seven through twelve in school year 2014- 15; (b) the general education average class sizes specified in section 502(2)(c); (c) 36 instructional weeks per year; (d) 900 instructional hours per teacher; and (e) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.~~))

(13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND NECESSARY PLANTS

For small school districts and remote and necessary school plants within any district which have been judged to be remote and necessary by the superintendent of public instruction, additional staff units are provided to ensure a minimum level of staffing support. Additional administrative and certificated instructional staff units provided to districts in this subsection shall be reduced by the general education staff units, excluding career and technical education and skills center enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the superintendent of public instruction and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(b) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the superintendent of public instruction:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(c) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools, except as noted in this subsection:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full-time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full-time equivalent students;

(iii) Districts receiving staff units under this subsection shall add students enrolled in a district alternative high school and any grades nine through twelve alternative learning experience programs with the small high school enrollment for calculations under this subsection;

(d) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit;

(e) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit;

(f)(i) For enrollments generating certificated staff unit allocations under (a) through (e) of this subsection, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(ii) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit; and

(g) School districts receiving additional staff units to support small student enrollments and remote and necessary plants under this subsection (12) shall generate additional MSOC allocations consistent with the nonemployee related costs (NERC) allocation formula in place for the 2010-11 school year as provided section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for inflation.

(14) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(15) The superintendent may distribute funding for the following programs outside the basic education formula during fiscal years 2014 and 2015 as follows:

(a) $605,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$614,000~~)) $613,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW.

(b) $436,000 of the general fund--state appropriation for fiscal year 2014 and $436,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed $500 per full-time equivalent student enrolled in those programs.

(16) $214,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$217,000~~)) $216,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for school district emergencies as certified by the superintendent of public instruction. At the close of the fiscal year the superintendent of public instruction shall report to the office of financial management and the appropriate fiscal committees of the legislature on the allocations provided to districts and the nature of the emergency.

(17) Funding in this section is sufficient to fund a maximum of 1.6 FTE enrollment for skills center students pursuant to chapter 463, Laws of 2007.

(18) Students participating in running start programs may be funded up to a combined maximum enrollment of 1.2 FTE including school district and institution of higher education enrollment. In calculating the combined 1.2 FTE, the office of the superintendent of public instruction may average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and higher education institution. Additionally, the office of the superintendent of public instruction, in consultation with the state board for community and technical colleges, the student achievement council, and the education data center, shall annually track and report to the fiscal committees of the legislature on the combined FTE experience of students participating in the running start program, including course load analyses at both the high school and community and technical college system.

(19) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (12) of this section, the following apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (12) of this section shall be reduced in increments of twenty percent per year.

(20)(a) Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed 15 percent of the combined basic education and career and technical education program enhancement allocations of state funds. Middle and secondary career and technical education programs are considered separate programs for funding and financial reporting purposes under this section.

(b) Career and technical education program full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported career and technical education program enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support.

(21) Appropriations in this section are sufficient for the office of the superintendent of public instruction to implement House Bill No. 2207 (basic education funding).

Sec. 503. 2013 2nd sp.s. c 4 s 505 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION

General Fund--State Appropriation (FY 2014) ..... ((~~$365,120,000~~)) $365,048,000

General Fund--State Appropriation (FY 2015) ..... ((~~$427,408,000~~)) $429,312,000

TOTAL APPROPRIATION ..... ((~~$792,528,000~~)) $794,360,000

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school district programs for the transportation of eligible students as provided in RCW 28A.160.192. Funding in this section for school year 2014-15 constitutes full implementation of RCW 28A.160.192, which enhancement is within the program of basic education. Students are considered eligible only if meeting the definitions provided in RCW 28A.160.160.

(b) For the 2014-15 school year, the superintendent shall allocate funding for approved and operating charter schools as provided in RCW 28A.710.220(3). Per-student allocations for pupil transportation must be calculated using the allocation for the previous school year to the school district in which the charter school is located and the total number of students in the district, and must be distributed to the charter school based on the total number of students enrolled.

((~~(b)~~)) (c) From July 1, 2013 to August 31, 2013, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 505, chapter 50, Laws of 2011 1st sp. sess., as amended.

(3) $558,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for pupil transportation expected cost funding formula adjustments as provided under this subsection. School districts whose efficiency rating is at least ninety-five percent and whose actual prior year costs exceed the expected cost allocations provided through the pupil transportation funding formula due to exceptional circumstances may apply to the superintendent of public instruction to receive a supplemental funding adjustments for a one- year period to offset the excess costs in whole or in part. The superintendent shall adopt criteria for review of applications, which may include exceptional issues related to geography, student demographics, or other one-time circumstances that are not otherwise addressed in the expected cost model. Differences in costs related to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for transportation adjustments. School districts that receive adjustments under this subsection are not guaranteed adjustments in future years and must reapply. Adjustments may not exceed the total appropriation provided in this subsection for fiscal year 2015.

((~~(3)~~)) (4) A maximum of $892,000 of this fiscal year 2014 appropriation and a maximum of $892,000 of the fiscal year 2015 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

((~~(4)~~)) (5) The office of the superintendent of public instruction shall provide reimbursement funding to a school district for school bus purchases only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

((~~(5)~~)) (6) The superintendent of public instruction shall base depreciation payments for school district buses on the pre-sales tax five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

((~~(6)~~)) (7) Funding levels in this section reflect waivers granted by the state board of education for four-day school weeks as allowed under RCW 28A.305.141.

((~~(7)~~)) (8) The office of the superintendent of public instruction shall annually disburse payments for bus depreciation in August.

Sec. 504. 2013 2nd sp.s. c 4 s 506 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS

General Fund--State Appropriation (FY 2014) $7,111,000
General Fund--State Appropriation (FY 2015) $7,111,000
General Fund--Federal Appropriation ..... ((~~$473,326,000~~))
$501,326,000
TOTAL APPROPRIATION ..... ((~~$487,548,000~~))
$515,548,000

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

(1) $7,111,000 of the general fund--state appropriation for fiscal year 2014 and $7,111,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for state matching money for federal child nutrition programs, and may support the meals for kids program through the following allowable uses:

(a) Elimination of breakfast copays for eligible public school students and lunch copays for eligible public school students in grades kindergarten through third grade who are eligible for reduced price lunch;

(b) Assistance to school districts and authorized public and private nonprofit organizations for supporting summer food service programs, and initiating new summer food service programs in low-income areas;

(c) Reimbursements to school districts for school breakfasts served to students eligible for free and reduced price lunch, pursuant to chapter 287, Laws of 2005; and

(d) Assistance to school districts in initiating and expanding school breakfast programs.

The office of the superintendent of public instruction shall report annually to the fiscal committees of the legislature on annual expenditures in (a), (b), and (c) of this subsection.

Sec. 505. 2013 2nd sp.s. c 4 s 507 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS

General Fund--State Appropriation (FY 2014) ..... ((~~$702,149,000~~))
$693,894,000
General Fund--State Appropriation (FY 2015) ..... ((~~$738,043,000~~))
$731,244,000
General Fund--Federal Appropriation ..... ((~~$462,022,000~~))
$476,122,000
Education Legacy Trust Account--State Appropriation ..... ((~~$46,151,000~~))
$56,122,000
TOTAL APPROPRIATION ..... ((~~$1,948,365,000~~))
$1,957,382,000

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

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall ensure that:

(i) Special education students are basic education students first;

(ii) As a class, special education students are entitled to the full basic education allocation; and

(iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall continue to implement the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school district programs for special education students as provided in RCW 28A.150.390, except that the calculation of the base allocation also includes allocations for increased instructional hours ((~~for grades seven through twelve~~)) as provided under section 502((~~(12)(b), which enhancement is~~)) (2)(c)(iii)(B); allocations for parent involvement coordinators in prototypical elementary schools as provided under section 502(4); and guidance counselors in prototypical middle and high schools as provided under section 502(2)(a), which enhancements are within the program of basic education.

(b) From July 1, 2013 to August 31, 2013, the superintendent shall allocate funding to school district programs for special education students as provided in section 507, chapter 50, Laws of 2011 1st sp. sess., as amended.

(5) The following applies throughout this section: The definitions for enrollment and enrollment percent are as specified in RCW 28A.150.390(3). Each district's general fund--state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 12.7 percent.

(6) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with RCW 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(7) ((~~$22,263,000~~)) $17,578,000 of the general fund--state appropriation for fiscal year 2014, ((~~$34,392,000~~)) $29,948,000 of the general fund--state appropriation for fiscal year 2015, and $29,574,000 of the general fund--federal appropriation are provided solely for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (4) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (7) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. At the conclusion of each school year, the superintendent shall recover safety net funds that were distributed prospectively but for which districts were not subsequently eligible.

(a) For the 2013-14 and 2014-15 school years, safety net funds shall be awarded by the state safety net oversight committee as provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

(b) The office of the superintendent of public instruction shall make award determinations for state safety net funding in August of each school year. Determinations on school district eligibility for state safety net awards shall be based on analysis of actual expenditure data from the current school year.

(8) A maximum of $678,000 may be expended from the general fund-- state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(9) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high- cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(10) A school district may carry over from one year to the next year up to 10 percent of the general fund--state funds allocated under this program; however, carryover funds shall be expended in the special education program.

(11) $252,000 of the general fund--state appropriation for fiscal year 2014 and $252,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

(12) $50,000 of the general fund--state appropriation for fiscal year 2014((~~, $50,000 of the general fund--state appropriation for fiscal year 2015,~~)) and ((~~$100,000~~)) $50,000 of the general fund-- federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction.

(13) Beginning in fiscal year 2015, the superintendent of public instruction must enter into an interagency agreement with the office of the education ombuds to provide special education ombuds services. Up to $50,000 of the general fund--federal appropriation may be used for this purpose.

Sec. 506. 2013 2nd sp.s. c 4 s 508 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS

General Fund--State Appropriation (FY 2014) ..... ((~~$8,143,000~~)) $8,121,000

General Fund--State Appropriation (FY 2015) ..... ((~~$8,151,000~~)) $8,224,000

TOTAL APPROPRIATION ..... ((~~$16,294,000~~)) $16,345,000

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

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) Funding within this section is provided for regional professional development related to mathematics and science curriculum and instructional strategies aligned with common core state standards and next generation science standards. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support.

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.305.130, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

(4) $100,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for educational service district no. 101 to design, develop, and implement an authentic-learning crowdsourcing platform prototype.

Sec. 507. 2013 2nd sp.s. c 4 s 509 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE

General Fund--State Appropriation (FY 2014) ..... ((~~$311,174,000~~)) $311,882,000

General Fund--State Appropriation (FY 2015) ..... ((~~$335,533,000~~)) $340,444,000

TOTAL APPROPRIATION ..... ((~~$646,707,000~~)) $652,326,000

The appropriations in this section are subject to the following conditions and limitations: For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 4.914 percent from the 2012-13 school year to the 2013-14 school year and 4.914 percent from the 2013-14 school year to the 2014-15 school year.

Sec. 508. 2013 2nd sp.s. c 4 s 510 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund--State Appropriation (FY 2014) ..... ((~~$15,291,000~~)) $13,968,000

General Fund--State Appropriation (FY 2015) ..... ((~~$15,493,000~~)) $13,964,000

TOTAL APPROPRIATION ..... ((~~$30,784,000~~)) $27,932,000

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

(1) Each general fund--state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) ((~~$1,070,000~~)) $569,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$1,070,000~~)) $569,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

Sec. 509. 2013 2nd sp.s. c 4 s 511 (uncodified) is amended to read as follows:

FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund--State Appropriation (FY 2014) ..... ((~~$9,555,000~~)) $9,539,000

General Fund--State Appropriation (FY 2015) ..... ((~~$9,677,000~~)) $9,685,000

TOTAL APPROPRIATION ..... ((~~$19,232,000~~)) $19,224,000

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c). In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2013, to August 31, 2013, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 50, Laws of 2011 1st sp. sess., as amended.

(3) $85,000 of the general fund--state appropriation for fiscal year 2014 and $85,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the centrum program at Fort Worden state park.

Sec. 510. 2013 2nd sp.s. c 4 s 512 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT

General Fund--Federal Appropriation ..... ((~~$4,052,000~~)) $4,302,000

Sec. 511. 2013 2nd sp.s. c 4 s 513 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS

General Fund--State Appropriation (FY 2014) ..... ((~~$121,840,000~~)) $114,798,000

General Fund--State Appropriation (FY 2015) ..... ((~~$104,524,000~~)) $101,692,000

General Fund--Federal Appropriation ..... ((~~$206,234,000~~)) $217,834,000

General Fund--Private/Local Appropriation $4,002,000

Education Legacy Trust Account--State Appropriation $1,599,000
TOTAL APPROPRIATION ..... ((~~$438,199,000~~)) $439,925,000

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

(1)(a) ((~~$44,575,000~~)) $38,031,000 of the general fund--state appropriation for fiscal year 2014, ((~~$27,134,000~~)) $23,131,000 of the general fund--state appropriation for fiscal year 2015, $1,350,000 of the education legacy trust account--state appropriation, and $15,868,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington state assessment system, including: (i) Development and implementation of retake assessments for high school students who are not successful in one or more content areas and (ii) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student assessment results, on or around June 10th of each year. State funding to districts shall be limited to one collection of evidence payment per student, per content-area assessment.

(b) The superintendent of public instruction shall modify the statewide student assessment system and implement assessments developed with a multistate consortium beginning in the 2014-15 school year to assess student proficiency on the standards adopted under RCW 28A.655.071 and including the provisions of House Bill No. 1450.

(2) $356,000 of the general fund--state appropriation for fiscal year 2014 and $356,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities coordinated at the Pacific science center, including instructional material purchases, teacher and principal professional development, and school and community engagement events.

(3) $5,851,000 of the general fund--state appropriation for fiscal year 2014 and $3,935,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of a new performance-based evaluation for certificated educators and other activities as provided in chapter 235, Laws of 2010 (education reform) and chapter 35, Laws of 2012 (certificated employee evaluations).

(4)(a) ((~~$45,263,000~~)) $44,879,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$49,673,000~~)) $48,746,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(i) For national board certified teachers, a bonus of $5,090 per teacher in the 2013-14 and 2014-15 school years;

(ii) An additional $5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced price lunch;

(iii) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (a)(ii) of this subsection for less than one full school year receive bonuses in a pro-rated manner. All bonuses in (a)(i) and (ii) of this subsection will be paid in July of each school year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced by a factor of 40 percent for first year NBPTS certified teachers, to reflect the portion of the instructional school year they are certified; and

(iv) During the 2013-14 and 2014-15 school years, and within available funds, certificated instructional staff who have met the eligibility requirements and have applied for certification from the national board for professional teaching standards may receive a conditional loan of two thousand dollars or the amount set by the office of the superintendent of public instruction to contribute toward the current assessment fee, not including the initial up-front candidacy payment. The fee shall be an advance on the first annual bonus under RCW 28A.405.415. The conditional loan is provided in addition to compensation received under a district's salary schedule and shall not be included in calculations of a district's average salary and associated salary limitation under RCW 28A.400.200. Recipients who fail to receive certification after three years are required to repay the conditional loan. The office of the superintendent of public instruction shall adopt rules to define the terms for initial grant of the assessment fee and repayment, including applicable fees. To the extent necessary, the superintendent may use revenues from the repayment of conditional loan scholarships to ensure payment of all national board bonus payments required by this section in each school year.

(5) $477,000 of the general fund--state appropriation for fiscal year 2014 and $477,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(6) $950,000 of the general fund--state appropriation for fiscal year 2014 and $950,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low- performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.

(7) $810,000 of the general fund--state appropriation for fiscal year 2014 and $810,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to operate a state-of-the-art education leadership academy that will be accessible throughout the state. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners shall include the state level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(8) $2,000,000 of the general fund--state appropriation for fiscal year 2014 and $2,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a statewide information technology (IT) academy program. This public-private partnership will provide educational software, as well as IT certification and software training opportunities for students and staff in public schools.

(9) $1,277,000 of the general fund--state appropriation for fiscal year 2014 and $1,277,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008. If equally matched by private donations, $300,000 of the 2014 appropriation and $300,000 of the 2015 appropriation shall be used to support FIRST robotics programs.

Of the amounts in this subsection, $100,000 of the fiscal year 2014 appropriation and $100,000 of the fiscal year 2015 appropriation are provided solely for the purpose of statewide supervision activities for career and technical education student leadership organizations.

(10) $125,000 of the general fund--state appropriation for fiscal year 2014 and $125,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of $2,500 to provide twenty middle and high school teachers each year with professional development training for implementing integrated math, science, technology, and engineering programs in their schools.

(11) $135,000 of the general fund--state appropriation for fiscal year 2014 and $135,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for science, technology, engineering and mathematics lighthouse projects, consistent with chapter 238, Laws of 2010.

(12) $1,000,000 of the general fund--state appropriation for fiscal year 2014 and $1,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a beginning educator support program. School districts and/or regional consortia may apply for grant funding. The superintendent shall implement this program in 5 to 15 school districts and/or regional consortia. The program provided by a district and/or regional consortia shall include: A paid orientation; assignment of a qualified mentor; development of a professional growth plan for each beginning teacher aligned with professional certification; release time for mentors and new teachers to work together; and teacher observation time with accomplished peers. $250,000 may be used to provide statewide professional development opportunities for mentors and beginning educators.

(13) $250,000 of the general fund--state appropriation for fiscal year 2014 and $250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for advanced project lead the way courses at ten high schools. To be eligible for funding in 2014, a high school must have offered a foundational project lead the way course during the 2012-13 school year. The 2014 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2013-14 school year. To be eligible for funding in 2015, a high school must have offered a foundational project lead the way course during the 2013-14 school year. The 2015 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2014-15 school year. The office of the superintendent of public instruction and the education research and data center at the office of financial management shall track student participation and long-term outcome data.

(14) $300,000 of the general fund--state appropriation for fiscal year 2014 and $300,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for annual start-up grants for aerospace and manufacturing technical programs housed at four skill centers. The grants are provided for start-up equipment and curriculum purchases. To be eligible for funding, the skill center must agree to provide regional high schools with access to a technology laboratory, expand manufacturing certificate and course offerings at the skill center, and provide a laboratory space for local high school teachers to engage in professional development in the instruction of courses leading to student employment certification in the aerospace and manufacturing industries. Once a skill center receives a start-up grant, it is ineligible for additional start-up funding in the following school year. The office of the superintendent of public instruction shall administer the grants in consultation with the center for excellence for aerospace and advanced materials manufacturing.

(15) $150,000 of the general fund--state appropriation for fiscal year 2014 and $150,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for annual start-up grants to six high schools to implement the aerospace assembler program. Participating high schools must agree to offer the aerospace assembler training program to students by spring semester of school year 2013-14. Once a high school receives a start-up grant, it is ineligible for additional start-up funding in the following school year. The office of the superintendent of public instruction and the education research and data center at the office of financial management shall track student participation and long-term outcome data.

(16) $10,000,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$5,000,000~~)) $5,027,000 of the general fund-- state appropriation for fiscal year 2015 are provided solely for the provision of training for teachers in the performance-based teacher principal evaluation program. Of the amounts appropriated in this subsection, $5,000,000 for fiscal year 2014 is a one-time appropriation, and $27,000 for fiscal year 2015 is a one-time appropriation provided solely for the office of the superintendent of public instruction to include foundational elements of cultural competence that are aligned with standards developed by the professional educator standards board within the content of the training.

(17) $3,600,000 of the general fund--state appropriation for fiscal year 2014 and $6,681,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5329 (persistently failing schools). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(18) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(19) $109,000 of the general fund--state appropriation for fiscal year 2014 and $99,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the office of the superintendent of public instruction to implement a youth dropout prevention program that incorporates partnerships between community- based organizations, schools, food banks and farms or gardens. The office of the superintendent of public instruction shall select one school district that must partner with an organization that is operating an existing similar program and that also has the ability to serve at least 40 students. Of the amount appropriated in this subsection, up to $10,000 may be used by the office of the superintendent of public instruction for administration of the program.

(20) ((~~$2,399,000~~)) $2,285,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$2,035,000~~)) $1,912,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement Engrossed Substitute Senate Bill No. 5946 (strengthening student educational outcomes). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(21) $1,110,000 of the general fund--state appropriation for fiscal year 2014 and $1,061,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for chapter 184, Laws of 2013 (Second Substitute House Bill No. 1642) (academic acceleration). Of the amount appropriated in this section, forty-nine thousand is provided as one-time funding.

(22) $200,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of House Bill No. 2553 (lowest-achieving schools). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(23) $1,994,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for grants to school districts to provide a

continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

Sec. 512. 2013 2nd sp.s. c 4 s 514 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund--State Appropriation (FY 2014) ..... ((~~$95,500,000~~)) $97,796,000

General Fund--State Appropriation (FY 2015) ..... ((~~$106,120,000~~)) $110,084,000

General Fund--Federal Appropriation ..... ((~~$71,016,000~~)) $72,116,000

TOTAL APPROPRIATION ..... ((~~$272,636,000~~)) $279,996,000

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs under RCW 28A.180.010 through 28A.180.080, including programs for exited students, as provided in RCW 28A.150.260(10)(b) and the provisions of this section. In calculating the allocations, the superintendent shall assume the following averages: (i) Additional instruction of 4.7780 hours per week per transitional bilingual program student in grades kindergarten through twelve in school years 2013-14 and 2014-15; (ii) additional instruction of 3.0000 hours per week in school year 2013-14 for the head count number of students who have exited the transitional bilingual instruction program within the previous school year based on their performance on the English proficiency assessment; (iii) additional instruction of 3.0000 hours per week in school year 2014-15 for the head count number of students who have exited the transitional bilingual instruction program within the previous two years based on their performance on the English proficiency assessment; (iv) fifteen transitional bilingual program students per teacher; (v) 36 instructional weeks per year; (vi) 900 instructional hours per teacher; and (vii) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2013, to August 31, 2013, the superintendent shall allocate funding to school districts for transitional bilingual instruction programs as provided in section 514, chapter 50, Laws of 2011 1st sp. sess., as amended.

(3) The superintendent may withhold allocations to school districts in subsection (2) of this section solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2) up to the following amounts: ((~~1.76~~)) 1.70 percent for school year 2013-14 and ((~~1.59~~)) 1.53 percent for school year 2014-15.

(4) The general fund--federal appropriation in this section is for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

(5) $35,000 of the general fund--state appropriation for fiscal year 2014 and $35,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to track current and former transitional bilingual program students.

Sec. 513. 2013 2nd sp.s. c 4 s 515 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM

General Fund--State Appropriation (FY 2014) ..... ((~~$196,356,000~~)) $194,728,000

General Fund--State Appropriation (FY 2015) ..... ((~~$218,335,000~~)) $214,877,000

General Fund--Federal Appropriation ..... ((~~$448,434,000~~)) $450,534,000

TOTAL APPROPRIATION ..... ((~~$863,125,000~~)) $860,139,000

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

(1) The general fund--state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b)(i) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a), except that the allocation for the additional instructional hours shall be enhanced as provided in this section, which enhancements are within the program of the basic education. In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 2.3975 hours per week per funded learning assistance program student for the 2013-14 school year and the 2014-15 school year; (B) fifteen learning assistance program students per teacher; (C) 36 instructional weeks per year; (D) 900 instructional hours per teacher; and (E) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2013, to August 31, 2013, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 50, Laws of 2011 1st sp. sess., as amended.

(c) A school district's funded students for the learning assistance program shall be the sum of the district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year. Starting with the allocation for the 2014-15 school year, the prior school year's October headcount enrollment for free and reduced price lunch shall be as reported in the comprehensive education data and research system.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school lunch program, as recommended in the report of the state auditor on the learning assistance program dated February, 2010.

(3) The general fund--federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund--state funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

Sec. 514. 2013 2nd sp.s. c 4 s 516 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) Amounts distributed to districts by the superintendent through part V of this act are for allocations purposes only, unless specified by part V of this act, and do not entitle a particular district, district employee, or student to a specific service, beyond what has been expressly provided in statute. Part V of this act restates the requirements of various sections of Title 28A RCW. If any conflict exists, the provisions of Title 28A RCW control unless this act explicitly states that it is providing an enhancement. Any amounts provided in part V of this act in excess of the amounts required by Title 28A RCW provided in statute, are not within the program of basic education unless clearly stated by this act.

(2) To the maximum extent practicable, when adopting new or revised rules or policies relating to the administration of allocations in part V of this act that result in fiscal impact, the office of the superintendent of public instruction shall attempt to seek legislative approval through the budget request process.

(3) Appropriations made in this act to the office of the superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act, except as expressly provided in subsection (4) of this section.

(4) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, 2014, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund appropriations for fiscal year 2014 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; highly capable; and learning assistance programs.

(5) The director of financial management shall notify the appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

NEW SECTION. **Sec. 515.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION

General Fund--State Appropriation (FY 2014) $466,000
General Fund--State Appropriation (FY 2015) $572,000
TOTAL APPROPRIATION $1,038,000

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

(1) $125,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the office of the attorney general costs related to *League of Women Voters v. State of Washington*.

(2) $137,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for charter school evaluation and oversight.

(End of part)

PART VI

HIGHER EDUCATION

Sec. 601. 2013 2nd sp.s. c 4 s 602 (uncodified) is amended to read as follows:

(1) Within the amounts appropriated in this act and chapter 1, Laws of 2013 3rd sp. sess. (aerospace industry appropriations), each institution of higher education is expected to enroll and educate at least the following numbers of full-time equivalent state-supported students per academic year:

	2013-14 Annual Average	2014-15 Annual Average
University of Washington	37,162	37,162
Washington State University	22,228	((~~22,228~~)) 22,538
Central Washington University	9,105	9,105
Eastern Washington University	8,734	8,734
The Evergreen State College	((~~4,335~~)) 4,213	((~~4,335~~)) 4,213
Western Washington University	((~~12,710~~)) 11,762	((~~12,710~~)) 11,762

State Board for Community & Technical Colleges		
Adult Students	139,237	((~~139,237~~)) 139,927
Running Start Students	11,558	11,558

(2) In achieving or exceeding these enrollment targets, each institution shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at branch campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is limited student or employer demand, or that are not areas of core academic strength for the institution, particularly when such programs duplicate offerings by other in-state institutions.

(3) For purposes of monitoring and reporting statewide enrollment, the University of Washington and Washington State University shall notify the office of financial management of the number of full-time student equivalent enrollments budgeted for each of their campuses.

Sec. 602. 2013 2nd sp.s. c 4 s 603 (uncodified) is amended to read as follows:

PUBLIC BACCALAUREATE INSTITUTIONS

(1) In order to operate within the state funds appropriated in this act, the governing boards of the state research universities, the state regional universities, and The Evergreen State College are authorized to adopt and adjust tuition and fees for the 2013-14 and 2014-15 academic years as provided in this section.

(2) For the purposes of chapter 28B.15 RCW, the omnibus appropriations act assumes no increase of tuition levels for resident undergraduate students over the amounts charged to resident undergraduate students for the prior year.

(3) Appropriations in sections 606 through 611 of this act are sufficient to maintain resident undergraduate tuition levels at the levels charged to resident undergraduate students during the 2012-13 academic year. As a result, for the 2013-14 academic year, the institutions of higher education shall not adopt resident undergraduate tuition levels that are greater than the tuition levels assumed in subsection (2) of this section. For the 2014-15 academic year, the institutions of higher education are authorized to adopt tuition levels for resident undergraduate students that are less than, equal to, or greater than tuition levels assumed in the omnibus appropriations act in subsection (2) of this section. However, ((~~to the extent~~)) every year that tuition levels ((~~exceed the~~)) are maintained above tuition ((~~levels~~)) increases assumed in subsection (2) of this section and section 603, chapter 50, Laws of 2011, the institution of higher education shall be subject to the conditions and limitations provided in RCW 28B.15.102.

(4) Each governing board is authorized to increase tuition charges to graduate and professional students, and to nonresident undergraduate students, by amounts judged reasonable and necessary by the governing board.

(5) Each governing board is authorized to increase summer quarter or semester tuition fees for resident and nonresident undergraduate, graduate, and professional students pursuant to RCW 28B.15.067.

(6) Each governing board is authorized to adopt or increase charges for fee-based, self-sustaining degree programs, credit courses, noncredit workshops and courses, and special contract courses by amounts judged reasonable and necessary by the governing board.

(7) Each governing board is authorized to adopt or increase services and activities fees for all categories of students as provided in RCW 28B.15.069.

(8) Each governing board is authorized to adopt or increase technology fees as provided in RCW 28B.15.069.

(9) Each governing board is authorized to adopt or increase special course and lab fees, and health and counseling fees, to the extent necessary to cover the reasonable and necessary exceptional cost of the course or service.

(10) Each governing board is authorized to adopt or increase administrative fees such as, but not limited to, those charged for application, matriculation, special testing, and transcripts by amounts judged reasonable and necessary by the governing board.

(11) The state universities, the regional universities, and The Evergreen State College must accept the transfer of college-level courses taken by running start students if a student seeking a transfer of the college-level courses has been admitted to the state university, the regional university, or The Evergreen State College, and if the college-level courses are recognized as transferrable by the admitting institution of higher education.

(12) Appropriations in sections 606 through 611 of this act are sufficient to implement 2013-2015 collective bargaining agreements at institutions of higher education negotiated under chapter 41.80 RCW. The institutions may also use these funds for any other purpose including restoring prior compensation reductions, increasing compensation, and implementing other collective bargaining agreements.

Sec. 603. 2013 2nd sp.s. c 4 s 604 (uncodified) is amended to read as follows:

STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

(1) In order to operate within the state funds appropriated in this act, the state board is authorized to adopt and adjust tuition and fees for the 2013-14 and 2014-15 academic years as provided in this section.

(2) For the purposes of chapter 28B.15 RCW, appropriations in the omnibus appropriations act assumes no increase in tuition levels for resident undergraduate students over the amounts charged to resident undergraduate students for the prior year. For the 2014-15 academic year, the state board is authorized to adopt tuition levels for resident undergraduate students that are less than, equal to, or greater than tuition levels assumed in the omnibus appropriations act in this subsection. However, to the extent that tuition levels exceed the tuition levels assumed in this subsection, the state board shall retain an additional one percent of operating fees above what is already retained pursuant to RCW 28B.15.031 for the purposes of RCW 28B.15.820. ((~~For the 2013-2015 fiscal biennium,~~)) When expending this additional retained amount, the community and technical colleges are subject to the conditions and limitations in RCW 28B.15.102.

(3) For the 2013-14 and 2014-15 academic years, the state board may increase tuition fees charged to resident undergraduates enrolled in upper division applied baccalaureate programs as specified in subsection (2) of this section.

(4) Appropriations in section 605 include the restoration of the three percent reduction in compensation costs taken in the 2011-2013 fiscal biennium. This funding is sufficient to implement 2013-2015 collective bargaining agreements at institutions of higher education negotiated

under chapter 41.80 RCW. The colleges may also use the restored funds for any other purpose including restoring prior compensation reductions, increasing compensation, and implementing other collective bargaining agreements.

(5) The state board may increase the tuition fees charged to nonresident students by amounts judged reasonable and necessary by the board.

(6) The trustees of the technical colleges are authorized to either (a) increase operating fees by no more than the percentage increases authorized for community colleges by the state board; or (b) fully adopt the tuition fee charge schedule adopted by the state board for community colleges.

(7) For academic years 2013-14 and 2014-15, the trustees of the technical colleges are authorized to increase building fees by an amount judged reasonable in order to progress toward parity with the building fees charged students attending the community colleges.

(8) The state board is authorized to increase the maximum allowable services and activities fees as provided in RCW 28B.15.069. The trustees of the community and technical colleges are authorized to increase services and activities fees up to the maximum level authorized by the state board.

(9) The trustees of the community and technical colleges are authorized to adopt or increase charges for fee-based, self-sustaining programs such as summer session, international student contracts, and special contract courses by amounts judged reasonable and necessary by the trustees.

(10) The trustees of the community and technical colleges are authorized to adopt or increase special course and lab fees to the extent necessary to cover the reasonable and necessary exceptional cost of the course or service.

(11) The trustees of the community and technical colleges are authorized to adopt or increase administrative fees such as but not limited to those charged for application, matriculation, special testing, and transcripts by amounts judged reasonable and necessary by the trustees.

Sec. 604. 2013 2nd sp.s. c 4 s 605 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund--State Appropriation (FY 2014) ..... ((~~$570,262,000~~)) $570,075,000

General Fund--State Appropriation (FY 2015) ..... ((~~$568,999,000~~)) $568,035,000

Community/Technical College Capital Projects Account--State Appropriation $17,548,000

Education Legacy Trust Account--State Appropriation $95,373,000

TOTAL APPROPRIATION ..... ((~~$1,252,182,000~~)) $1,251,031,000

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

(1) $33,261,000 of the general fund--state appropriation for fiscal year 2014 and $33,261,000 of the general fund--state appropriation for fiscal year 2015 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 7,170 full-time equivalent students in fiscal year 2014 and at least 7,170 full-time equivalent students in fiscal year 2015.

(2) $5,450,000 of the education legacy trust account--state appropriation is provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the aerospace center of excellence currently hosted by Everett community college to:

(a) Increase statewide communications and outreach between industry sectors, industry organizations, businesses, K-12 schools, colleges, and universities;

(b) Enhance information technology to increase business and student accessibility and use of the center's web site; and

(c) Act as the information entry point for prospective students and job seekers regarding education, training, and employment in the industry.

(4) $181,000 of the general fund--state appropriation for fiscal year 2014 and $181,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the opportunity center for employment and education internet technology integration project at north Seattle community college.

(5) $255,000 of the general fund--state appropriation for fiscal year 2014 and $255,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of a maritime industries training program at south Seattle community college.

(6) $5,250,000 of the general fund--state appropriation for fiscal year 2014 and $5,250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the student achievement initiative.

(7) $500,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Second Substitute Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(8) $300,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for Seattle community college to conduct planning for establishing a health training center at the Pacific medical center.

(9) $350,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for a pilot project to embed the year up model within community college campuses.

(10) $13,000 of the general fund--state appropriation for fiscal year 2014 and $168,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of Substitute House Bill No. 2365 (paraeducator development). If the bill is not enacted by June 30, 2014, the amounts provided in this subsection shall lapse.

(11) $410,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the mathematics engineering science achievement community college programs.

((~~(8)~~)) (12) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community and technical colleges shall consider lower cost alternatives, such as mailing postcards or brochures that direct individuals to online information and other ways of acquiring print catalogs.

((~~(9)~~)) (13) The state board for community and technical colleges shall not use funds appropriated in this section to support intercollegiate athletics programs.

Sec. 605. 2013 2nd sp.s. c 4 s 606 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State Appropriation (FY 2014) ..... ((~~$246,897,000~~)) $247,277,000

General Fund--State Appropriation (FY 2015) ..... ((~~$245,200,000~~)) $246,732,000

Geoduck Aquaculture Research Account--State Appropriation $300,000

Education Legacy Trust Account--State Appropriation $13,998,000

Economic Development Strategic Reserve Account--State Appropriation $3,000,000

Biotoxin Account--State Appropriation $390,000

Accident Account--State Appropriation $6,741,000

Medical Aid Account--State Appropriation $6,546,000

Aquatic Land Enhancement Account--State Appropriation $700,000

State Toxics Control Account--State Appropriation $1,120,000

TOTAL APPROPRIATION ..... ((~~$524,892,000~~)) $526,804,000

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

(1) $300,000 of the geoduck aquaculture research account--state appropriation is provided solely for the University of Washington sea grant program to commission scientific research studies that examine possible negative and positive effects, including the cumulative effects and the economic contribution, of evolving shellfish aquaculture techniques and practices on Washington's economy and marine ecosystems. The research conducted for the studies is not intended to be a basis for an increase in the number of shellfish harvesting permits available and should be coordinated with any research efforts related to ocean acidification. The University of Washington must submit an annual report detailing any findings and outline the progress of the study, consistent with RCW 43.01.036, to the appropriate legislative committees by December 1st of each year.

(2) $52,000 of the general fund--state appropriation for fiscal year 2014 and $52,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the center for international trade in forest products in the college of forest resources.

(3) $4,459,000 of the general fund--state appropriation for fiscal year 2014 and $4,459,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the expansion of computer science and engineering enrollments. The university will work with the education research and data center to establish program baselines and demonstrate enrollment increases. By September 1, 2014, and each September 1st thereafter, the university shall provide a report that provides the specific detail on how these amounts were spent in the preceding fiscal year, including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best- practices implemented by the college, and how many students are enrolled in computer science and engineering programs above the 2012- 2013 academic year baseline.

(4) $3,000,000 of the general fund--state appropriation for fiscal year 2014 and $3,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for creation of a clean energy institute. The institute shall integrate physical sciences and engineering with a research focus on energy storage and solar energy.

(5) $3,000,000 of the economic development strategic reserve account appropriation is provided solely to support the joint center for aerospace innovation technology.

(6) Within existing resources the University of Washington may: (a) Form and implement an integrated innovation institute and research, planning, and outreach initiatives at the Olympic national resources center; and (b) accredit a four-year undergraduate forestry program from the society of American foresters. Accreditation may occur in conjunction with reaccreditation of the master of forest resources program.

(7) $700,000 of the aquatic lands enhancement account--state appropriation and $1,120,000 of the state toxics control account--state appropriation are provided solely for the center on ocean acidification and related work necessary to implement the recommendations of the governor's blue ribbon task force on ocean acidification. The university shall provide staffing for this purpose.

(8) $1,000,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the institute of protein design to support the commercialization of translational projects.

(9) $150,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the Burke museum's hands-on science curriculum.

((~~(8)~~)) (10) The University of Washington shall not use funds appropriated in this section to support intercollegiate athletics programs.

Sec. 606. 2013 2nd sp.s. c 4 s 607 (uncodified) is amended to read as follows:

FOR WASHINGTON STATE UNIVERSITY

General Fund--State Appropriation (FY 2014) ..... ((~~$156,616,000~~)) $157,108,000

General Fund--State Appropriation (FY 2015) ..... ((~~$157,701,000~~)) $160,494,000

Education Legacy Trust Account--State Appropriation $33,995,000

TOTAL APPROPRIATION ..... ((~~$348,312,000~~)) $351,597,000

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

(1) Within existing resources, Washington State University shall establish an accredited forestry program.

(2) $2,856,000 of the general fund--state appropriation for fiscal year 2014 and $2,857,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the expansion of computer science and engineering enrollments. The university will work with the education research and data center to establish program baselines and demonstrate enrollment increases. By September 1, 2014, and each September 1st thereafter, the university shall provide a report that provides the specific detail on how these amounts were spent in the preceding fiscal year, including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best- practices implemented by the college, and how many students are enrolled in computer science and engineering programs above the 2012- 2013 academic year baseline.

(3) $25,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the Ruckelshaus center to collaborate with local governments, the media, and representatives of the public regarding public record requests made to local government. The center shall facilitate meetings and discussions and report to the appropriate committees of the legislature. The report shall include information on:

(a) Recommendations related to balancing open public records with concerns of local governments related to interfering with the work of the local government;

(b) Resources necessary to accommodate requests;

(c) Potential harassment of government employees;

(d) Potential safety concerns of people named in the record;

(e) Potentially assisting criminal activity; and

(f) Other issues brought forward by the participants.

The center shall report to the appropriate committees of the legislature by December 15, 2013.

(4) $300,000 of the general fund--state appropriation for fiscal year 2014 and $300,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington State University agricultural research center to conduct public outreach and education related to nonlethal methods of mitigating conflicts between livestock and large wild carnivores. Of the amounts provided in this subsection, $200,000 of the general fund--state appropriation for fiscal year 2014 and $200,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to the center to conduct a detailed analysis of such methods. The amounts appropriated in this subsection may not be subject to an administrative fee or charge, and must be used for costs directly associated with the research and analysis.

(5) $2,400,000 of the general fund--state appropriation for fiscal year 2014 and $3,600,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for expansion of medical education and biomedical research in Spokane.

(6) $1,989,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the transfer of the university center of north Puget Sound from the state board of community and technical colleges to the Washington State University. Funding is sufficient to support 310 full-time equivalent students.

(7) $250,000 of the general fund--state appropriation for fiscal year 2014 and $500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for state match requirements related to the federal aviation administration grant.

(8) $300,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for implementation of Engrossed Second Substitute House Bill No. 2347 (oil transportation safety). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

((~~(6)~~)) (9) Washington State University shall not use funds appropriated in this section to support intercollegiate athletic programs.

Sec. 607. 2013 2nd sp.s. c 4 s 608 (uncodified) is amended to read as follows:

FOR EASTERN WASHINGTON UNIVERSITY

General Fund--State Appropriation (FY 2014) ..... ((~~$31,674,000~~)) $31,428,000

General Fund--State Appropriation (FY 2015) ..... ((~~$31,619,000~~)) $31,374,000

Education Legacy Trust Account--State Appropriation $15,470,000

TOTAL APPROPRIATION ..... ((~~$78,763,000~~)) $78,272,000

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

(1) At least $200,000 of the general fund--state appropriation for fiscal year 2014 and at least $200,000 of the general fund--state appropriation for fiscal year 2015 shall be expended on the Northwest autism center.

(2) Eastern Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

Sec. 608. 2013 2nd sp.s. c 4 s 609 (uncodified) is amended to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY

General Fund--State Appropriation (FY 2014) ..... ((~~$29,719,000~~)) $29,764,000

General Fund--State Appropriation (FY 2015) ..... ((~~$29,533,000~~)) $29,577,000

Education Legacy Trust Account--State Appropriation $19,076,000

TOTAL APPROPRIATION ..... ((~~$78,328,000~~)) $78,417,000

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

(1) $25,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the college of education to conduct a study identifying the duties encompassed in a state-funded teacher's typical work day. The study must include an estimate of the percent of a teacher's typical day that is spent on teaching related duties and the percentage of the teacher's day that is spent on duties that are not directly related to teaching. The university shall submit a report to the appropriate committees of the legislature by December 1, 2013.

(2) Amounts appropriated in this section are sufficient for the university to develop a plan to create an online degree granting entity that awards degrees based on an alternative credit model. The university shall submit a final plan by December 1, 2013, to the higher education committees of the legislature.

(3) Central Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

Sec. 609. 2013 2nd sp.s. c 4 s 610 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE

General Fund--State Appropriation (FY 2014) ..... ((~~$18,563,000~~))
$18,368,000

General Fund--State Appropriation (FY 2015) ..... ((~~$17,911,000~~))
$18,079,000

Education Legacy Trust Account--State Appropriation $5,450,000

TOTAL APPROPRIATION ..... ((~~$41,924,000~~))
$41,897,000

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

((~~(3)~~)) (1) $100,000 of the general fund--state appropriation for fiscal year 2014 and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state institute for public policy to conduct a comprehensive retrospective outcome evaluation and return on investment analysis of the early learning childhood program pursuant to Senate Bill No. 5904 (high quality early learning). This evaluation is due December 15, 2014. If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(4)~~)) (2) $50,000 of the general fund--state appropriation for fiscal year 2014 and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state institute for public policy to develop a risk assessment instrument for patients committed for involuntary treatment in Washington state.

((~~(5)~~)) (3) $58,000 of the general fund--state appropriation for fiscal year 2014 and $27,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state institute for public policy to prepare an inventory of evidence-based and research-based effective practices, activities, and programs for use by school districts in the learning assistance program pursuant to Engrossed Second Substitute Senate Bill No. 5946 (student educational outcomes). The initial inventory is due by August 1, 2014, and shall be updated every two years thereafter. If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

((~~(6)~~)) (4) $50,000 of the general fund--state appropriation for fiscal year 2014 are provided solely for the Washington state institute for public policy to provide expertise to the department of corrections on the implementation of programming that follows the risk needs responsivity model. In consultation with the department of corrections, the institute will systematically review selected programs for outcome measures.

(5) The Washington state institute for public policy shall examine the drug offender sentencing alternative for offenders sentenced to residential treatment in the community. The institute shall examine its effectiveness on recidivism and conduct a benefit-cost analysis. The institute shall report its findings by December 1, 2014.

(6) $98,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the implementation of Substitute House Bill No. 2610 (homeless youth population). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

(7) Funding provided in this section is sufficient for The Evergreen State College to continue operations of the Longhouse Center and the Northwest Indian applied research institute.

((~~(9)~~)) (8) Notwithstanding other provisions in this section, the board of directors for the Washington state institute for public policy may adjust due dates for projects included on the institute's 2013-2015 work plan as necessary to efficiently manage workload.

((~~(10)~~)) (9) The Evergreen State College shall not use funds appropriated in this section to support intercollegiate athletics programs.

Sec. 610. 2013 2nd sp.s. c 4 s 611 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY

General Fund--State Appropriation (FY 2014) ..... ((~~$44,542,000~~))
$44,552,000

General Fund--State Appropriation (FY 2015) ..... ((~~$44,377,000~~))
$44,386,000

Education Legacy Trust Account--State
Appropriation $13,050,000

TOTAL APPROPRIATION ..... ((~~$101,969,000~~))
$101,988,000

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

(1) $1,497,000 of the general fund--state appropriation for fiscal year 2014 and $1,498,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the expansion of computer science and engineering enrollments. The university will work with the education research and data center to establish program baselines and demonstrate enrollment increases. By September 1, 2014, and each September 1st thereafter, the university shall provide a report that provides the specific detail on how these amounts were spent in the preceding fiscal year, including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best- practices implemented by the college, and how many students are enrolled in computer science and engineering programs above the 2012- 2013 academic year baseline.

(2) Western Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

Sec. 611. 2013 2nd sp.s. c 4 s 612 (uncodified) is amended to read as follows:

FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND ADMINISTRATION

General Fund--State Appropriation (FY 2014) ..... ((~~$5,307,000~~))
$5,320,000

General Fund--State Appropriation (FY 2015) ..... ((~~$5,318,000~~))

$5,403,000
General Fund--Federal Appropriation $4,817,000
TOTAL APPROPRIATION ..... ((~~$15,442,000~~))
$15,540,000

The appropriations in this section are subject to the following conditions and limitations:
(1) The student achievement council is authorized to increase or establish fees for initial degree authorization, degree authorization renewal, degree authorization reapplication, new program applications, and new site applications pursuant to RCW 28B.85.060.
(2) $50,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the student achievement council to convene a task force of representatives from the four-year institutions of higher education and the state board for community and technical colleges in consultation with the office of financial management. The council shall also invite other independent research organizations and experts to participate. The task force shall provide a report to the legislature by December 1, 2014, including a series of strategy options for future directions in tuition, state higher education funding, and student aid policy in order to support the postsecondary certificate, credential, and degree production goals set forth in the council's ten- year roadmap report prepared under RCW 28B.77.020. The task force shall focus on affordability and access for low-income and other populations that have been historically underrepresented in higher education, as well as students who do not have access to traditional need-based aid. The task force must consider the full range of financial aid, tuition waivers, and work study programs, projections for high school graduates and the demography of this student population, and the counseling and other student support measures needed to assure the cost-effective investment of state funding toward high levels of student success in light of the evolving needs of the state for growing numbers of increasingly educated citizens. The task force must report its progress to the joint higher education committee at intervals during the work program. The taskforce shall work in coordination with the work group created in Engrossed Substitute Senate Bill No. 6436 (college bound scholarship).
(3) $17,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the implementation of House Bill No. 2285 (dual credit coursework). If the bill is not enacted by June 30, 2014, the amount provided in this subsection shall lapse.

Sec. 612. 2013 2nd sp.s. c 4 s 613 (uncodified) is amended to read as follows:

FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL ASSISTANCE

General Fund--State Appropriation (FY 2014) ..... ((~~$245,122,000~~))
$245,124,000
General Fund--State Appropriation (FY 2015) ..... ((~~$244,674,000~~))
$244,676,000
General Fund--Federal Appropriation ..... ((~~$11,648,000~~))
$11,655,000
General Fund--Private/Local Appropriation ..... ((~~$34,000~~))
$334,000
Education Legacy Trust Account--State Appropriation ..... ((~~$36,036,000~~))
$54,297,000
Washington Opportunity Pathways Account--State
Appropriation ..... ((~~$147,000,000~~))
$141,000,000
TOTAL APPROPRIATION ..... ((~~$684,514,000~~))
$697,086,000

The appropriations in this section are subject to the following conditions and limitations:
(1) $237,454,000 of the general fund--state appropriation for fiscal year 2014, $237,455,000 of the general fund--state appropriation for fiscal year 2015, $6,000,000 of the education legacy trust account--state appropriation, and ((~~$147,000,000~~)) $141,000,000 of the Washington opportunity pathways account--state appropriation are provided solely for student financial aid payments under the state need grant and state work study programs including up to four percent administrative allowance for the state work study program. Of the amounts provided in this subsection, $100,000 of the general fund-- state appropriation for fiscal year 2015 is provided solely for the council to develop an alternative financial aid application system to implement Senate Bill No. 6523 (higher education opportunities).
(2) Changes made to the state need grant program in the 2011-2013 fiscal biennium are continued in the 2013-2015 fiscal biennium including aligning increases in awards given to private institutions with the annual tuition increases for public research institutions or the private institution's average annual tuition increase experience of 3.5 percent per year, whichever is less, and reducing the awards for students who first enrolled as a new student in for-profit institutions as of the 2011-2012 academic year or thereafter by fifty percent, except that one-half of the fifty percent reduction shall be restored on July 1, 2013, for students attending regionally accredited for- profit institutions.
(3) Changes made to the state work study program in the 2009-2011 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal biennium including maintaining the increased required employer share of wages; adjusted employer match rates; discontinuation of nonresident student eligibility for the program; and revising distribution methods to institutions by taking into consideration other factors such as off- campus job development, historical utilization trends, and student need.
(4) Within the funds appropriated in this section, eligibility for the state need grant shall include students with family incomes at or below 70 percent of the state median family income (MFI), adjusted for family size, and shall include students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits. Awards for all students shall be adjusted by the estimated amount by which Pell grant increases exceed projected increases in the noninstructional costs of attendance. Awards for students with incomes between 51 and 70 percent of the state median shall be prorated at the following percentages of the award amount granted to those with incomes below 51 percent of the MFI: 70 percent for students with family incomes between 51 and 55 percent MFI; 65 percent for students with family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI.

(5)(a) Students who are eligible for the college bound scholarship shall be given priority for the state need grant program if the students have applied by the institution's priority financial aid deadline and have completed their financial aid file in a timely manner. These eligible college bound students whose family incomes are in the 0-65 median family income ranges shall be awarded the maximum state need grant for which they are eligible under state policies and may not be denied maximum state need grant funding due to institutional policies or delayed awarding of college bound scholarship students.

(b) In calculating the college bound award, public institutions of higher education shall be subject to the conditions and limitations in RCW 28B.15.102 and shall not utilize college bound funds to offset tuition costs from rate increases in excess of levels authorized in section 603, chapter 50, Laws of 2011 and those assumed in section 602 or 603 of this act.

(6) ((~~$36,036,000~~)) $48,297,000 of the education legacy trust account--state appropriation is provided solely for the college bound scholarship program and may support scholarships for summer session. This amount assumes that college bound scholarship recipients will receive priority for state need grant awards in fiscal year 2014 and fiscal year 2015. If this policy of prioritization is not fully achieved, it is the intent of this legislation to provide supplemental appropriations in the 2014 supplemental operating budget.

(7) $2,236,000 of the general fund--state appropriation for fiscal year 2014 and $2,236,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the passport to college program. The maximum scholarship award shall be $5,000. The board shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract, provide a minimum of $500,000 in fiscal years 2014 and 2015 for this purpose.

(8) The amounts provided in this section are sufficient for implementation of Engrossed Second Substitute House Bill No. 2694 (higher ed/low-income students).

(9) In developing the skilled and educated workforce report pursuant to RCW 28B.77.080(3), the council shall use the bureau of labor statistics analysis of the education and training requirements of occupations, in addition to any other method the council may choose to use, to assess the number and type of higher education and training credentials required to match employer demand for a skilled and educated workforce.

Sec. 613. 2013 2nd sp.s. c 4 s 614 (uncodified) is amended to read as follows:

FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD

General Fund--State Appropriation (FY 2014) ..... ((~~$1,582,000~~)) $1,556,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,478,000~~)) $1,464,000

General Fund--Federal Appropriation ..... ((~~$54,260,000~~)) $54,823,000

General Fund--Private/Local $44,000

TOTAL APPROPRIATION ..... ((~~$57,320,000~~)) $57,887,000

The appropriations in this section are subject to the following conditions and limitations: For the 2013-2015 fiscal biennium the board shall not designate recipients of the Washington award for vocational excellence or recognize them at award ceremonies as provided in RCW 28C.04.535.

Sec. 614. 2013 2nd sp.s. c 4 s 615 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF EARLY LEARNING

General Fund--State Appropriation (FY 2014) ..... ((~~$34,253,000~~)) $30,609,000

General Fund--State Appropriation (FY 2015) ..... ((~~$48,689,000~~)) $49,940,000

General Fund--Federal Appropriation ..... ((~~$293,652,000~~)) $295,427,000

General Fund--Private/Local $50,000

Opportunity Pathways Account--State Appropriation $80,000,000

Home Visiting Services Account--State Appropriation $2,868,000

Home Visiting Services Account--Federal Appropriation ..... ((~~$22,756,000~~)) $22,757,000

Children's Trust Account--State Appropriation $180,000

TOTAL APPROPRIATION ((~~$482,398,000~~)) $481,831,000

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

(1) $20,229,000 of the general fund--state appropriation for fiscal year 2014, $36,474,000 of the general fund--state appropriation for fiscal year 2015, and $80,000,000 of the opportunity pathways account appropriation are provided solely for the early childhood education assistance program services. Of these amounts, $10,284,000 is a portion of the biennial amount of state maintenance of effort dollars required to receive federal child care and development fund grant dollars.

(2) $638,000 of the general fund--state appropriation for fiscal year 2014, and $638,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for child care resource and referral network services.

(3) $200,000 of the general fund--state appropriation for fiscal year 2014 and $200,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(4) The department is the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The

department shall transfer a portion of this grant to the department of social and health services to fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(5) $1,434,000 of the general fund--state appropriation for fiscal year 2014, $1,434,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for expenditure into the home visiting services account. This funding is intended to meet federal maintenance of effort requirements and to secure private matching funds.

(6)(a) $153,717,000 of the general fund--federal appropriation is provided solely for the working connections child care program under RCW 43.215.135.

(b) In addition to groups that were given prioritized access to the working connections child care program effective March 1, 2011, the department shall also give prioritized access into the program to families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center.

(c) Within the amounts provided in (a) of this subsection, the department is authorized to serve up to 20 percent of the working connections households through contracted slots. The department may achieve this by contracting with the working connections child care providers and with early childhood education assistance program providers to braid funding between working connection child care program and the education assistance program to support a full-day preschool experience for eligible children.

(7) Within available amounts, the department in consultation with the office of financial management and the department of social and health services shall report quarterly enrollments and active caseload for the working connections child care program to the legislative fiscal committees and the legislative-executive WorkFirst oversight task force. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care. The department must also report on the number of children served through contracted slots.

(8) ((~~$1,025,000~~)) $1,194,000 of the general fund--state appropriation for fiscal year 2014, ((~~$1,025,000~~)) $1,738,000 of the general fund--state appropriation for fiscal year 2015, and $13,424,000 of the general fund--federal appropriation are provided solely for the seasonal child care program. If federal sequestration cuts are realized, cuts to the seasonal child care program must be proportional to other federal reductions made within the department.

(9) ((~~$3,572,000~~)) $4,438,000 of the general fund--state appropriation for fiscal year 2014, ((~~$2,522,000~~)) $4,674,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$4,304,000~~)) $236,000 of the general fund--federal appropriation are provided solely for the medicaid treatment child care (MTCC) program. The department shall contract for MTCC services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. Priority for services shall be given to children referred from the department of social and health services children's administration. In addition to referrals made by children's administration, the department shall authorize services for children referred to the MTCC program, as long as the children meet the eligibility requirements as outlined in the Washington state plan for the MTCC program.

(a) Of the amounts appropriated in this subsection, $60,000 per fiscal year may be used by the department for administering the MTCC program, if needed.

(b) Of the amounts provided in this subsection, ((~~$1,050,000~~)) $1,916,000 of the general fund--state appropriation for fiscal year 2014 is provided solely to continue providing services in the event of losing federal funding for the MTCC program. To the extent that the moneys provided in this subsection (9)(b) are not necessary for this purpose, the amounts provided shall lapse.

(10) $150,000 of the general fund--state appropriation for fiscal year 2014 and $150,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

(11) $721,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the department to complete development work of the electronic benefits transfer system.

(12) ((~~$793,000~~)) $221,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$796,000~~)) $1,233,577 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of an electronic benefits transfer system. To the maximum extent possible, the department shall work to integrate this system with the department of social and health services payment system. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(13) $32,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Second Substitute Senate Bill No. 5595 (child care reform). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(14)(a)(i) The department of early learning is required to provide to the education research and data center, housed at the office of financial management, data on all state-funded early childhood programs. These programs include the early support for infants and toddlers, early childhood education and assistance program (ECEAP), and the working connections and seasonal subsidized childcare programs including license exempt facilities or family, friend, and neighbor care. The data provided by the department to the education research data center must include information on children who participate in these programs, including their name and date of birth, and dates the child received services at a particular facility.

(ii) The ECEAP early learning professionals must enter qualifications into the department's professional development registry during the 2013-14 school year. By October 2015, the department must provide ECEAP early learning professional data to the education research data center.

(iii) The department must request federally funded head start programs to voluntarily provide data to the department and the education research data center that is equivalent to what is being provided for state-funded programs.

(iv) The education research and data center must provide a report on early childhood program participation and K-12 outcomes to the house of representatives appropriations committee and the senate ways and means committee using available data by November 2013 for the school year ending in 2012 and again in March 2014 for the school year ending in 2013.

(b) The department, in consultation with the department of social and health services, must withhold payment for services to early childhood programs that do not report on the name, date of birth, and the dates a child received services at a particular facility.

(15) Appropriations in this section are sufficient for the department to maintain the early achievers program, improve program data collection and evaluation, implement contracted child care slots, continue the early childhood education and assistance program expansion, and develop a single

set of licensing standards for child care and early childhood education and assistance programs pursuant to Engrossed Second Substitute House Bill No. 2377 (early care and education).

Sec. 615. 2013 2nd sp.s. c 4 s 616 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

General Fund--State Appropriation (FY 2014) ..... ((~~$6,032,000~~)) $5,975,000

General Fund--State Appropriation (FY 2015) ..... ((~~$5,805,000~~)) $5,951,000

General Fund--Private/Local Appropriation..... $15,000

TOTAL APPROPRIATION..... ((~~$11,852,000~~)) $11,941,000

Sec. 616. 2013 2nd sp.s. c 4 s 617 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

General Fund--State Appropriation (FY 2014) ..... ((~~$8,615,000~~)) $8,764,000

General Fund--State Appropriation (FY 2015) ..... ((~~$8,591,000~~)) $8,739,000

TOTAL APPROPRIATION..... ((~~$17,206,000~~)) $17,503,000

Sec. 617. 2013 2nd sp.s. c 4 s 618 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund--State Appropriation (FY 2014) ..... ((~~$1,125,000~~)) $1,093,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,101,000~~)) $1,120,000

General Fund--Federal Appropriation $2,074,000

General Fund--Private/Local Appropriation..... ((~~$12,000~~)) $31,000

TOTAL APPROPRIATION..... ((~~$4,312,000~~)) $4,318,000

Sec. 618. 2013 2nd sp.s. c 4 s 619 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE HISTORICAL SOCIETY

General Fund--State Appropriation (FY 2014) ..... ((~~$2,123,000~~)) $2,134,000

General Fund--State Appropriation (FY 2015) ..... ((~~$2,150,000~~)) $2,159,000

TOTAL APPROPRIATION..... ((~~$4,273,000~~)) $4,293,000

The appropriations in this section are subject to the following conditions and limitations: The Washington state historical society shall operate the state capital historical museum as a heritage outreach center. The structure is to be used to support the mission of the society, including but not limited to leasing of the building, the proceeds of which shall be retained by the society as a source of funding for mission-related activities.

Sec. 619. 2013 2nd sp.s. c 4 s 620 (uncodified) is amended to read as follows:

FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

General Fund--State Appropriation (FY 2014) ..... ((~~$1,600,000~~)) $1,624,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,530,000~~)) $1,612,000

TOTAL APPROPRIATION..... ((~~$3,130,000~~)) $3,236,000

(End of part)

PART VII

SPECIAL APPROPRIATIONS

Sec. 701. 2013 2nd sp.s. c 4 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2014) ..... ((~~$741,362,000~~)) $812,140,000

General Fund--State Appropriation (FY 2015) ..... ((~~$1,060,322,000~~)) $991,532,000

State Building Construction Account--State
Appropriation ..... ((~~$4,297,000~~))
$8,164,000
Columbia River Basin Water Supply Development
Account--State Appropriation ..... ((~~$269,000~~))
$473,000
State Taxable Building Construction Account--State
Appropriation ..... ((~~$211,000~~))
$2,621,000
Debt-Limit Reimbursable Bond Retire Account--State
Appropriation $2,320,000
Hood Canal Aquatic Rehabilitation Bond Account--State
Appropriation $1,000
Columbia River Basin Taxable Bond Water Supply
Development Account--State Appropriation $182,000
TOTAL APPROPRIATION ..... ((~~$1,808,781,000~~))
$1,817,433,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

Sec. 702. 2013 2nd sp.s. c 4 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES

Accident Account--State Appropriation ..... ((~~$4,138,000~~))
$4,139,000
Medical Aid Account--State Appropriation ..... ((~~$4,138,000~~))
$4,139,000
TOTAL APPROPRIATION ..... ((~~$8,276,000~~))
$8,278,000

Sec. 703. 2013 2nd sp.s. c 4 s 703 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund--State Appropriation (FY 2014) $25,636,000
General Fund--State Appropriation (FY 2015) ..... ((~~$16,102,000~~))
$16,103,000
Nondebt-Limit Reimbursable Bond Retirement Account--State
Appropriation ..... ((~~$140,215,000~~))
$139,953,000
TOTAL APPROPRIATION ..... ((~~$181,953,000~~))
$181,692,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for expenditure into the nondebt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the nondebt-limit general fund bond retirement account by June 30, 2014.

Sec. 704. 2013 2nd sp.s. c 4 s 704 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund--State Appropriation (FY 2014) ..... ((~~$1,726,000~~))
$1,401,000
General Fund--State Appropriation (FY 2015) ..... ((~~$1,726,000~~))
$1,401,000
State Building Construction Account--State
Appropriation ..... ((~~$867,000~~))
$2,156,000
Columbia River Basin Water Supply Development
Account--State Appropriation ..... ((~~$57,000~~))
$66,000
State Taxable Building Construction Account--State
Appropriation ..... ((~~$45,000~~))
$324,000
Hood Canal Aquatic Rehabilitation Bond Account--State
Appropriation $1,000
Columbia River Basin Taxable Bond Water Supply
Development Account--State Appropriation $18,000
TOTAL APPROPRIATION ..... ((~~$4,421,000~~))

$5,367,000

Sec. 705. 2013 2nd sp.s. c 4 s 710 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--COUNTY PUBLIC HEALTH ASSISTANCE

General Fund--State Appropriation (FY 2014) $36,386,000
General Fund--State Appropriation (FY 2015) $36,386,000
TOTAL APPROPRIATION $72,772,000

The appropriations in this section are subject to the following conditions and limitations: The state treasurer shall distribute the appropriations to the following counties and health districts in the amounts designated to support public health services, including public health nursing:

Health District	**FY 2014**	**FY 2015**	**2013-15 Biennium**
Adams County Health District	$121,213	$121,213	$242,426
Asotin County Health District	$159,890	$159,890	$319,780
Benton-Franklin Health District	$1,614,337	$1,614,337	$3,228,674
Chelan-Douglas Health District	$399,634	$399,634	$799,268
Clallam County Health and Human Services Department	$291,401	$291,401	$582,802
Clark County Health District	$1,767,341	$1,767,341	$3,534,682
Skamania County Health Department	$111,327	$111,327	$222,654
Columbia County Health District	$119,991	$119,991	$239,982
Cowlitz County Health Department	$477,981	$477,981	$955,962
Garfield County Health District	$93,154	$93,154	$186,308
Grant County Health District	$297,761	$297,762	$595,523
Grays Harbor Health Department	$335,666	$335,666	$671,332
Island County Health Department	$255,224	$225,224	$510,448
Jefferson County Health and Human Services	$184,080	$184,080	$368,160
Seattle-King County Department of Public Health	$10,558,598	((~~$10,558,598~~)) $12,685,521	((~~$21,117,196~~)) $23,244,119
Bremerton-Kitsap County Health District	$997,476	$997,476	$1,994,952
Kittitas County Health Department	$198,979	$198,979	$397,958
Klickitat County Health Department	$153,784	$153,784	$307,568
Lewis County Health Department	$263,134	$263,134	$526,268
Lincoln County Health Department	$113,917	$113,917	$227,834
Mason County Department of Health Services	$227,448	$227,448	$454,896
Okanogan County Health District	$169,882	$169,882	$339,764
Pacific County Health Department	$169,075	$169,075	$338,150
Tacoma-Pierce County Health Department	$4,143,169	$4,143,169	$8,286,338
San Juan County Health and Community Services	$2,253,493	((~~$2,253,493~~)) $126,569	((~~$4,506,986~~)) $2,380,062
Skagit County Health Department	$449,745	$449,745	$899,490

Snohomish Health District	$3,433,291	$3,433,291	$6,866,582
Spokane County Health District	$2,877,318	$2,877,318	$5,574,636
Northeast Tri-County Health District	$249,303	$249,303	$498,606
Thurston County Health Department	$1,046,897	$1,046,897	$2,093,794
Wahkiakum County Health Department	$93,181	((~~$9,180~~)) $93,181	((~~$186,361~~)) $186,362
Walla Walla County-City Health Department	$302,173	$302,173	$604,346
Whatcom County Health Department	$1,214,301	$1,214,301	$2,428,602
Whitman County Health Department	$189,355	$189,355	$378,710
Yakima Health District	$1,052,482	$1,052,482	$2,104,964
TOTAL APPROPRIATIONS	$36,386,001	$36,386,001	$72,772,002

NEW SECTION. **Sec. 706.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR SUNDRY CLAIMS

The following sums, or so much thereof as may be necessary, are appropriated from the general fund for fiscal year 2014, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on vouchers approved by the director of the department of enterprise services, except as otherwise provided, for reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as follows:

(1) Tony M. Noble, claim number 99970075 ..... $5,670
(2) Patrick Earl, claim number 99970076 ..... $2,799
(3) Stephen J. Felice, claim number 99970076 ..... $17,275
(4) Michael Felice, claim number 99970076 ..... $93,809
(5) Noe Angel Aranda Hernandez, claim number 99970077 ..... $12,500
(6) Anderson Durham, claim number 99970071 ..... $11,000
(7) Chase Balzer, claim number 99970078 ..... $5,953
(8) Kent Wescott, claim number 99970079 ..... $13,447
(9) Tommy Villanueva, claim number 99970080 ..... $70,099

NEW SECTION. **Sec. 707.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS FOR STATE EMPLOYEE HEALTH INSURANCE

General Fund--State Appropriation (FY 2015) ..... ($62,932,000)
General Fund--Federal Appropriation ..... ($9,175,000)
General Fund--Local Appropriation ..... ($1,177,000)
Other Dedicated Funds Appropriations ..... ($15,698,000)
TOTAL APPROPRIATION ..... ($88,982,000)

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

(1) The appropriations in this section are provided solely to reduce agency and institution appropriations to reflect the reductions in the state employer funding rate for health insurance, and decreased employer health insurance costs consistent with the contribution rates included in sections 901, 902, and 904 of this act.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer shall transfer sufficient moneys from each dedicated fund or account in accordance with LEAP document H010 dated February 22, 2014, and schedules provided by the office of financial management. The office shall reduce allotments for all agencies to reflect these savings.

NEW SECTION. **Sec. 708.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--THURSTON COUNTY CAPITAL FACILITIES ACCOUNT

General Fund--State Appropriation (FY 2014) $900,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the Thurston county capital facilities account--state.

NEW SECTION. **Sec. 709.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--PARKLAND TRUST REVOLVING ACCOUNT

General Fund--State Appropriation (FY 2014) $639,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the Parkland trust revolving account--state.

NEW SECTION. **Sec. 710.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE COSTS

General Fund--State Appropriation (FY 2014) $343,000

The appropriation in this section is subject to the following conditions and limitations: The director of financial management shall distribute funds to Clallam county for extraordinary criminal justice costs.

NEW SECTION. **Sec. 711.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMMON SCHOOL CONSTRUCTION ACCOUNT

General Fund--State Appropriation (FY 2015) $444,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the common school construction account--state on July 1, 2015, for an interest payment pursuant to RCW 90.38.130.

NEW SECTION. **Sec. 712.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--NATURAL RESOURCES REAL PROPERTY REPLACEMENT ACCOUNT

General Fund--State Appropriation (FY 2015) $222,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the natural resources real property replacement account--state on July 1, 2015, for an interest payment pursuant to RCW 90.38.130.

NEW SECTION. **Sec. 713.** 2013 2nd sp.s. c 4 s 720 (uncodified) is repealed.

NEW SECTION. **Sec. 714.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF ATTORNEY GENERAL

General Fund--State Appropriation (FY 2014) $994,000
General Fund--State Appropriation (FY 2015) $994,000
General Fund--Federal Appropriation $636,000
Other Appropriated Funds $2,284,000
TOTAL APPROPRIATION $4,908,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section reflect increases in agency appropriations related to corresponding increases in the office of the attorney general's billing authority. The office of financial management shall increase allotments in the amounts specified, and to the state agencies specified in LEAP omnibus document 92E1-2014, dated February 22, 2014, and adjust appropriation schedules accordingly.

NEW SECTION. **Sec. 715.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF THE CHIEF INFORMATION OFFICER

General Fund--State Appropriation (FY 2015) $67,000
General Fund--Federal Appropriation $13,000
General Fund--Local/Private Appropriation $2,000
Other Appropriated Funds $36,000
TOTAL APPROPRIATION $118,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section reflect increases in agency appropriations related to corresponding increases in the office of the chief information officer's billing authority. The office of financial management shall increase allotments in the amounts specified, and to the state agencies specified in LEAP omnibus document 92F-2014, dated February 24, 2014, and adjust appropriation schedules accordingly.

NEW SECTION. **Sec. 716.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--OFFICE OF ADMINISTRATIVE HEARINGS

Minority and Business Account--State Appropriation $67,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section reflects increases in agency appropriations related to the office of administrative hearings. The office of financial management shall increase allotments in the amounts specified, and to the state agencies specified in LEAP omnibus document 92G-2014, dated February 24, 2014, and adjust appropriation schedules accordingly.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2013 2nd sp.s. c 4 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance
premium distributions ..... ((~~$8,248,000~~))
$8,591,000

General Fund Appropriation for public utility

district excise tax distributions ..... ((~~$50,894,000~~))
$53,709,000
General Fund Appropriation for prosecuting
attorney distributions ..... ((~~$6,068,000~~))
$5,985,000
General Fund Appropriation for boating safety
and education distributions $4,000,000
General Fund Appropriation for other tax distributions $65,000
General Fund Appropriation for habitat conservation
program distributions ..... ((~~$3,000,000~~))
$3,154,000
Death Investigations Account Appropriation for
distribution to counties for publicly funded
autopsies $3,158,000
Aquatic Lands Enhancement Account Appropriation for
harbor improvement revenue distribution $146,000
Timber Tax Distribution Account Appropriation for
distribution to "timber" counties ..... ((~~$72,120,000~~))
$76,932,000
County Criminal Justice Assistance
Appropriation ..... ((~~$78,983,000~~))
$78,861,000
Municipal Criminal Justice Assistance
Appropriation ..... ((~~$30,550,000~~))
$30,519,000
City-County Assistance Account Appropriation
for local government financial assistance
distribution ..... ((~~$17,134,000~~))
$19,584,000
Liquor Excise Tax Account Appropriation for liquor
excise tax distribution ..... ((~~$24,744,000~~))
$23,906,000
Streamlined Sales and Use Tax Mitigation Account
Appropriation for distribution to local taxing
jurisdictions to mitigate the unintended revenue
redistribution effect of the sourcing law
changes ..... ((~~$50,488,000~~))
$49,420,000
Columbia River Water Delivery Account Appropriation for
the Confederated Tribes of the Colville
Reservation ..... ((~~$7,760,000~~))
$7,752,000
Columbia River Water Delivery Account Appropriation for
the Spokane Tribe of Indians ..... ((~~$5,025,000~~))
$5,011,000
Liquor Revolving Account Appropriation for liquor
profits distribution $98,876,000
TOTAL APPROPRIATION ..... ((~~$434,259,000~~))
$469,667,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 802. 2013 2nd sp.s. c 4 s 802 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driver Safety Account Appropriation ..... ((~~$2,469,000~~))
$2,409,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2013-2015 fiscal biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

Sec. 803. 2013 2nd sp.s. c 4 s 803 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driver Safety Account Appropriation ..... ((~~$1,646,000~~)) $1,606,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2013-2015 fiscal biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

Sec. 804. 2013 2nd sp.s. c 4 s 804 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION

General Fund Appropriation for federal flood control funds distribution $66,000

General Fund Appropriation for federal grazing fees distribution $1,706,000

Forest Reserve Fund Appropriation for federal forest reserve fund distribution ..... ((~~$5,636,000~~)) $24,446,000

TOTAL APPROPRIATION ..... ((~~$7,408,000~~)) $26,218,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 805. 2013 2nd sp.s. c 4 s 805 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS

State Treasurer's Service Account: For transfer to the state general fund, $10,100,000 for fiscal year 2014 ((~~and $10,100,000 for fiscal year 2015~~ ..... ~~$20,200,000~~)) $10,100,000

Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account $32,000,000

General Fund: For transfer to the streamlined sales and use tax account, ((~~$25,284,000~~)) $24,436,000 for fiscal year 2014 and ((~~$25,204,000~~)) $24,984,000 for fiscal year 2015 ..... ((~~$50,488,000~~)) $49,420,000

Public Works Assistance Account: For transfer to the education legacy trust account, $138,622,000 for fiscal year 2014 and $138,622,000 for fiscal year 2015 ..... $277,244,000

Local Toxics Control Account: For transfer to the state general fund, $9,000,000 for fiscal year 2014 and $9,000,000 for fiscal year 2015 ..... $18,000,000

State Taxable Building Construction Account: For transfer to the Columbia River basin taxable bond water supply development account, an amount not to exceed $32,000,000

Employment Training Finance Account: For transfer to the state general fund, $1,000,000 for fiscal year 2014 ((~~and $1,000,000 for fiscal year 2015~~ ..... ~~$2,000,000~~)) $1,000,000

Tuition Recovery Trust Account: For transfer to the state general fund, $1,250,000 for fiscal year 2014 ((~~and $1,250,000 for fiscal year 2015~~ ..... ~~$2,500,000~~)) $1,250,000

General Fund: For transfer to the child and family reinvestment account, ((~~$3,800,000~~)) $1,656,000 for fiscal year 2014 and ((~~$2,691,000~~)) $992,000 for fiscal year 2015 ..... ((~~$6,491,000~~)) $2,648,000

Flood Control Assistance Account: For transfer to the state general fund, $1,000,000 for fiscal year 2014 and $1,000,000 for fiscal year 2015 ..... $2,000,000

Tobacco Settlement Account: For transfer to the state

general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account $157,221,000

Tobacco Settlement Account: For transfer to the state general fund from the amounts deposited in the account that are attributable to the annual strategic contribution payment received in fiscal year 2014 ..... $17,000,000

((~~Tobacco Settlement Account: For transfer to the state general fund from the amounts deposited in the account that are attributable to the annual strategic contribution payment received in fiscal year 2015 ..... $17,000,000~~))

Tobacco Settlement Account: For transfer to the education legacy trust account from amounts deposited in the account that are attributed to the annual strategic contribution payment received in fiscal year 2014 ..... $600,000

Tobacco Settlement Account: For transfer to the education legacy trust account from amounts deposited in the account that are attributed to the annual strategic contribution payment received in fiscal year 2015 ..... $17,100,000

Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual remaining amount of the annual strategic contribution payment to the tobacco settlement account for fiscal year 2014 ..... $9,515,000

Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual remaining amount of the annual strategic contribution payment to the tobacco settlement account for fiscal year 2015 ..... $9,515,000

The transfer to the life sciences discovery fund is subject to the following conditions:

(1) The life sciences discovery fund authority board of trustees shall begin preparing to become a self-sustaining entity capable of operating without direct state subsidy by the time the tobacco strategic contribution supplemental payments end in fiscal year 2017.

(2) $250,000 of the appropriation in fiscal year 2014 and $250,000 of the appropriation in fiscal year 2015 are provided solely to promote the development and delivery of global health technologies and products.

(a) The life sciences discovery fund authority must either administer a grant application, review, and reward process, or contract with a qualified nonprofit organization for these services. State moneys must be provided for grants to entities for the development, production, promotion, and delivery of global health technologies and products. Grant award criteria must include:

(i) The quality of the proposed research or the proposed technical assistance in product development or production process design. Any grant funds awarded for research activities must be awarded for nonbasic research that will assist in the commercialization or manufacture of global health technologies;

(ii) The potential for the grant recipient to improve global health outcomes;

(iii) The potential for the grant to leverage additional funding for the development of global health technologies and products;

(iv) The potential for the grant to stimulate, or promote technical skills training for, employment in the development of global health technologies in the state; and

(v) The willingness of the grant recipient, when appropriate, to enter into royalty or licensing income agreements with the authority.

(b) The authority, or the contractor of the authority, must report information including the types of products and research funded, the funding leveraged by the grants, and the number and types of jobs created as a result of the grants, to the economic development committees of the legislature by December 1, 2014.

Aquatic Lands Enhancement Account: For transfer to the geoduck aquaculture research account, $150,000 for fiscal year 2014 and $150,000 for fiscal year 2015 ..... $300,000

Health Benefit Exchange Account: For transfer to the state general fund for fiscal year 2015 ..... $21,514,000

Criminal Justice Treatment Account: For transfer to the state general fund, $437,000 for fiscal year 2014 and $2,746,000 for fiscal year 2015 ..... $3,183,000

Resources Management Cost Account--Aquatics: For transfer to the marine resources stewardship trust account, $1,850,000 for fiscal year 2014 and $1,850,000 for fiscal year 2015 ..... $3,700,000

Legal Services Revolving Account: For transfer to the state general fund, $976,000 for fiscal year 2014

((~~and $1,477,000 for fiscal year 2015~~ ..... ~~$2,453,000~~))
$976,000

Personnel Service Account: For transfer to the state general fund, $733,000 for fiscal year 2014 ((~~and $733,000 for fiscal year 2015~~ ..... ~~$1,466,000~~))
$733,000

Data Processing Revolving Account: For transfer to the state general fund, $4,069,000 for fiscal year 2014 ((~~and $4,070,000 for fiscal year 2015~~ ..... ~~$8,139,000~~))
$4,069,000

Home Security Fund Account: For transfer to the transitional housing operating and rent account $7,500,000

Professional Engineers' Account: For transfer to the state general fund, $956,000 for fiscal year 2014 and $957,000 for fiscal year 2015 ..... $1,913,000

Electrical License Account: For transfer to the state general fund, $1,700,000 for fiscal year 2014 and $1,700,000 for fiscal year 2015 ..... $3,400,000

Business and Professions Account: For transfer to the state general fund, $1,838,000 for fiscal year 2014 and $1,800,000 for fiscal year 2015 ..... $3,638,000

Energy Freedom Account: For transfer to the state general fund, $1,000,000 for fiscal year 2014 ((~~and $1,000,000 for fiscal year 2015~~ ..... ~~$2,000,000~~))
$1,000,000

Pollution Liability Insurance Program Trust Account: For transfer to the state general fund, $2,500,000 for fiscal year 2014 and $2,500,000 for fiscal year 2015 ..... $5,000,000

Real Estate Commission Account: For transfer to the state general fund, $1,700,000 for fiscal year 2014 and $1,700,000 for fiscal year 2015 ..... $3,400,000

State Lottery Account: For transfer to the education legacy trust account, $6,050,000 for fiscal year 2014 and $6,050,000 for fiscal year 2015 ..... $12,100,000

State Toxics Control Account: For transfer to the radioactive mixed waste account, $2,000,000 for fiscal year 2014 ..... $2,000,000

Energy Freedom Account: For transfer to the education legacy trust account, $1,000,000 for fiscal year 2015 ..... $1,000,000

Legal Services Revolving Account: For transfer to the education legacy trust account, $1,477,000 for fiscal year 2015 ..... $1,477,000

Employment Training Finance Account: For transfer to the education legacy trust account, $1,000,000 for fiscal year 2015 ..... $1,000,000

Tuition Recovery Trust Account: For transfer to the education legacy trust account, $1,250,000 for fiscal year 2015 ..... $1,250,000

State Treasurer's Service Account: For transfer to the education legacy trust account, $10,100,000 for fiscal year 2015 ..... $10,100,000

Personnel Service Account: For transfer to the education legacy trust account, $733,000 for fiscal year 2015 ..... $733,000

Data Processing Revolving Account: For transfer to the education legacy trust account, $4,070,000 for fiscal year 2015 ..... $4,070,000

(End of part)

PART IX

MISCELLANEOUS

Sec. 901. 2013 2nd sp.s. c 4 s 932 (uncodified) is amended to read as follows:

COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION--INSURANCE BENEFITS

No agreement was reached between the governor and the health care super coalition under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Appropriations for fiscal year 2014 in this act for state agencies, including institutions of higher education are sufficient to continue the provisions of the 2011-2013 collective bargaining agreement. An agreement for the period beginning July 1, 2014, and ending on June 30, 2015, was reached between the governor and the health care super coalition under the provisions of chapter 41.80 RCW. The agreement includes employer contributions to premiums at 85 percent of the total weighted average of the projected health care premiums. Appropriations in this act for fiscal year 2015 for state agencies, including institutions of higher education, are sufficient to fund the provisions of the collective bargaining agreement during the period between July 1, 2104, and June 30, 2015, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $782 per eligible employee for fiscal year 2014. For fiscal year 2015 the monthly employer funding rate shall not exceed ((~~$763~~)) $658 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require or make any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. Beginning July 1, 2014, the board shall add a $25 per month surcharge to the premiums due from members who use tobacco products and a surcharge of not less than $50 per month to the premiums due from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in other employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(d) To the extent that the agreement between the governor and the super coalition contains terms that are effective after June 30, 2015, those terms exceed the fiscal biennium and are outside the bounds permitted by RCW 41.80.001. Nothing in this section obligates the legislature for funding after June 30, 2015.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015 shall be up to $150 per month.

Sec. 902. 2013 2nd sp.s. c 4 s 933 (uncodified) is amended to read as follows:

COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for represented employees outside the super coalition for health benefits, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $782 per eligible employee for fiscal year 2014. For fiscal year 2015 the monthly employer funding rate shall not exceed ((~~$763~~)) $658 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require or make any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. Beginning July 1, 2014, the board shall add a $25 per month surcharge to the premiums due from members who use tobacco products and a surcharge of not less than $50 per month to the premiums due from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in other employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015 shall be up to $150 per month.

Sec. 903. 2013 2nd sp.s. c 4 s 937 (uncodified) is amended to read as follows:

COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS

(1) An agreement has been reached between the governor and the service employees international union local 925 under the provisions of chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is provided for increases to health care, scholarship funding and non-standard hours bonus.

(2) An agreement has been reached between the governor and the service employees international union local 925 under the provisions of chapter 41.56 RCW for fiscal year 2015. Funding is provided to increase the child care subsidy rates for licensed and exempt family child care providers by four percent on July 1, 2014, and another four percent on January 1, 2015. Two million dollars is also provided to fund an early achievers tiered reimbursement pilot project for licensed family child care providers.

Sec. 904. 2013 2nd sp.s. c 4 s 939 (uncodified) is amended to read as follows:

COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $782 per eligible employee for fiscal year 2014. For fiscal year 2015 the monthly employer funding rate shall not exceed ((~~$763~~)) $658 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require or make any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. Beginning July 1, 2014, the board shall add a $25 per month surcharge to the premiums due from members who use tobacco products and a surcharge of not less than $50 per month to the premiums due from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in other employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015 shall be up to $150 per month.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, $64.40 per month beginning September 1, 2013, and ((~~$70.39~~)) $66.70 beginning September 1, 2014; and

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, $64.40 each month beginning September 1, 2013, and ((~~$70.39~~)) $66.70 beginning September 1, 2014, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection (3) shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

Sec. 905. 2013 2nd sp.s. c 4 s 943 (uncodified) is amended to read as follows:

ACQUISITION OF INFORMATION TECHNOLOGY PROJECTS THROUGH FINANCIAL CONTRACTS

(1) Financial contracts for the acquisition of the information technology projects authorized in this section must be approved jointly by the office of the financial management and the office of the chief information officer. Information technology projects funded under this section shall meet the following requirements:

(a) The project reduces costs and achieves economies of scale by leveraging statewide investments in systems and data and other common or enterprise-wide solutions within and across state agencies;

(b) The project begins or continues replacement of legacy information technology systems and replacing these systems with modern and more efficient information technology systems;

(c) The project improves the ability of an agency to recover from major disaster;

(d) The project provides future savings and efficiencies for an agency through reduced operating costs, improved customer service, or increased revenue collections; and

(e) Preference for project approval must be given to an agency that has prior approval from the office of the chief information officer, an approved business plan, and where the primary hurdle to project funding is the lack of funding capacity.

(2) The following state agencies may enter into financial contracts to finance expenditures for the acquisition and implementation of the following information technology projects for up to the respective amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW:

(a) Subject to subsection (4) of this section, ((~~$10,000,000~~)) $13,500,000 for the department of enterprise services time, leave, and attendance pilot project;

(b) $3,867,000 for the Washington state patrol for continuation of the mobile office platform;

(c) ((~~$8,500,000 for the department of social and health services conversion to the tenth version of the world health organization's international classification of diseases;~~

~~(d) $5,558,000~~)) $3,314,670 for the department of early learning system implementation of electronic benefit transfers;

((~~(e)~~)) (d) $4,323,000 for the department of corrections for radio infrastructure upgrades.

(3) The office of financial management with assistance from the office of the chief information officer will report to the governor and fiscal committees of the legislature by November 1st of each year on the status of distributions and expenditures on information technology projects and improved statewide or agency performance results achieved by project funding.

(4) If the Washington state department of transportation enters into financial contracts pursuant to chapter 39.94 RCW for the acquisition and implementation of a time, leave, and labor distribution system, the authorization provided to the department of enterprise services in subsection (2)(a) of this section expires.

Sec. 906. RCW 28B.67.030 and 2013 2nd sp.s. c 4 s 961 are each amended to read as follows:

(1) All payments received from a participant in the Washington customized employment training program created in RCW 28B.67.020 must be deposited into the employment training finance account, which is hereby created in the custody of the state treasurer. Only the state board for community and technical colleges may authorize expenditures from the account and no appropriation is required for expenditures. The money in the account must be used solely for training allowances under the Washington customized employment training program created in RCW 28B.67.020 and for providing up to seventy-five thousand dollars per year for training, marketing, and facilitation services to increase the use of the program. The deposit of payments under this section from a participant ceases when the board specifies that the participant has met the

monetary obligations of the program. During the 2013-2015 fiscal biennium, the legislature may transfer from the employment training finance account to the state general fund and the education legacy trust account such amounts as reflect the excess fund balance in the account.

(2) All revenue solicited and received under the provisions of RCW 28B.67.020(4) must be deposited into the employment training finance account to provide training allowances.

(3) The definitions in RCW 28B.67.010 apply to this section.

(4) This section expires July 1, 2017.

Sec. 907. RCW 28C.10.082 and 2013 2nd sp.s. c 4 s 965 are each amended to read as follows:

The tuition recovery trust fund is hereby established in the custody of the state treasurer. The agency shall deposit in the fund all moneys received under RCW 28C.10.084. Moneys in the fund may be spent only for the purposes under RCW 28C.10.084. Disbursements from the fund shall be on authorization of the agency. During the 2013-2015 fiscal biennium, the legislature may transfer from the tuition recovery trust fund to the state general fund and the education legacy trust account such amounts as reflect the excess fund balance in the fund. The fund is subject to the allotment procedure provided under chapter 43.88 RCW, but no appropriation is required for disbursements.

Sec. 908. RCW 36.28A.300 and 2013 2nd sp.s. c 35 s 23 are each amended to read as follows:

There is created a 24/7 sobriety program to be administered by the ((~~Washington traffic safety~~)) criminal justice training commission in conjunction with the Washington association of sheriffs and police chiefs. The program shall coordinate efforts among various local government entities for the purpose of implementing alternatives to incarceration for offenders convicted under RCW 46.61.502 or 46.61.504 with one or more prior convictions under RCW 46.61.502 or 46.61.504.

Sec. 909. RCW 36.28A.320 and 2013 2nd sp.s. c 35 s 25 are each amended to read as follows:

There is hereby established in the state treasury the 24/7 sobriety account. The account shall be maintained and administered by the ((~~Washington traffic safety~~)) criminal justice training commission to reimburse the state for costs associated with establishing the program and the Washington association of sheriffs and police chiefs for ongoing program administration costs. ((~~The Washington traffic safety~~)) criminal justice training commission may accept for deposit in the account money from donations, gifts, grants, participation fees, and user fees or payments. Expenditures from the account shall be budgeted through the normal budget process.

Sec. 910. RCW 41.06.280 and 2013 2nd sp.s. c 4 s 968 are each amended to read as follows:

There is hereby created a fund within the state treasury, designated as the "personnel service fund," to be used by the office of financial management as a revolving fund for the payment of salaries, wages, and operations required for the administration of the provisions of this chapter, applicable provisions of chapter 41.04 RCW, and chapter 41.60 RCW. An amount not to exceed one and one-half percent of the salaries and wages for all positions in the classified service in each of the agencies subject to this chapter, except the institutions of higher education, shall be charged to the operations appropriations of each agency and credited to the personnel service fund as the allotments are approved pursuant to chapter 43.88 RCW. Subject to the above limitations, the amount shall be charged against the allotments pro rata, at a rate to be fixed by the director from time to time which, together with income derived from services rendered under RCW 41.06.080, will provide the office of financial management with funds to meet its anticipated expenditures during the allotment period, including the training requirements in RCW 41.06.500 and 41.06.530. All revenues, net of expenditures, previously derived from services provided by the department of enterprise services under RCW 41.06.080 must be transferred to the enterprise services account.

The director shall fix the terms and charges for services rendered by the office of financial management pursuant to RCW 41.06.080, which amounts shall be credited to the personnel service fund and charged against the proper fund or appropriation of the recipient of such services on a monthly basis. Payment for services so rendered under RCW 41.06.080 shall be made on a monthly basis to the state treasurer and deposited in the personnel service fund.

Moneys from the personnel service fund shall be disbursed by the state treasurer by warrants on vouchers duly authorized by the office of financial management.

During the 2013-2015 fiscal biennium, the legislature may transfer from the personnel service fund to the state general fund and the education legacy trust account such amounts as reflect the excess fund balance of the account.

Sec. 911. RCW 43.08.190 and 2013 2nd sp.s. c 4 s 973 are each amended to read as follows:

There is hereby created a fund within the state treasury to be known as the "state treasurer's service fund." Such fund shall be used solely for the payment of costs and expenses incurred in the operation and administration of the state treasurer's office.

Moneys shall be allocated monthly and placed in the state treasurer's service fund equivalent to a maximum of one percent of the trust and treasury average daily cash balances from the earnings generated under the authority of RCW 43.79A.040 and 43.84.080 other than earnings generated from investment of balances in funds and accounts specified in RCW 43.79A.040(4)(c). The allocation shall precede the distribution of the remaining earnings as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a uniform allocation rate for all funds and accounts; except that the state treasurer may negotiate a different allocation rate with any state agency that has independent authority over funds not statutorily required to be held in the state treasury or in the custody of the state treasurer. In no event shall the rate be less than the actual costs incurred by the state treasurer's office. If no rate is separately negotiated, the default rate for any funds held shall be the rate set for funds held pursuant to statute.

During the 2009-2011 fiscal biennium and the 2011-2013 and 2013- 2015 fiscal biennia, the legislature may transfer from the state treasurer's service fund to the state general fund such amounts as reflect the excess fund balance of the fund. Additionally, during the 2013-2015 fiscal biennium, the legislature may transfer from the state treasurer's service fund to the education legacy trust account such amounts as reflect the excess balance of the fund.

Sec. 912. RCW 43.10.150 and 2013 2nd sp.s. c 4 s 975 are each amended to read as follows:

A legal services revolving fund is hereby created in the state treasury for the purpose of a centralized funding, accounting, and distribution of the actual costs of the legal services provided to agencies of the state government by the attorney general. During the 2013-2015 fiscal biennium, the legislature may transfer from the legal services revolving account to the state general fund and the education legacy trust account such amounts as reflect the excess fund balance of the account.

Sec. 913. RCW 43.19.791 and 2013 2nd sp.s. c 4 s 976 are each amended to read as follows:

There is created a revolving fund to be known as the data processing revolving fund in the custody of the state treasurer. The revolving fund shall be used for the acquisition of equipment, software, supplies, and services and the payment of salaries, wages, and other costs incidental to the acquisition, development, operation, and administration of information services, telecommunications, systems, software, supplies and

equipment, including the payment of principal and interest on bonds issued for capital projects, by the department, Washington State University's computer services center, the department of enterprise services' personnel information systems group and financial systems management group, and other users as determined by the office of financial management. The revolving fund is subject to the allotment procedure provided under chapter 43.88 RCW. The chief information officer or the chief information officer's designee, with the approval of the technology services board, is authorized to expend up to one million dollars per fiscal biennium for the technology services board to conduct independent technical and financial analysis of proposed information technology projects, and such an expenditure does not require an appropriation. Disbursements from the revolving fund for the services component of the department are not subject to appropriation. Disbursements for the strategic planning and policy component of the department are subject to appropriation. All disbursements from the fund are subject to the allotment procedures provided under chapter 43.88 RCW. The department shall establish and implement a billing structure to assure all agencies pay an equitable share of the costs.

During the 2011-2013 and the 2013-2015 fiscal biennia, the legislature may transfer from the data processing revolving account to the state general fund such amounts as reflect the excess fund balance and may use the data processing revolving account for information technology projects. Additionally, during the 2013-2015 fiscal biennium, the legislature may transfer from the data processing revolving account to the education legacy trust account such amounts as reflect the excess balance of the fund.

As used in this section, the word "supplies" shall not be interpreted to delegate or abrogate the division of purchasing's responsibilities and authority to purchase supplies as described in RCW 43.19.190 and 43.19.200.

Sec. 914. RCW 43.79.480 and 2013 2nd sp.s. c 4 s 980 are each amended to read as follows:

(1) Moneys received by the state of Washington in accordance with the settlement of the state's legal action against tobacco product manufacturers, exclusive of costs and attorneys' fees, shall be deposited in the tobacco settlement account created in this section except as these moneys are sold or assigned under chapter 43.340 RCW.

(2) The tobacco settlement account is created in the state treasury. Moneys in the tobacco settlement account may only be transferred to the state general fund, and to the tobacco prevention and control account for purposes set forth in this section. The legislature shall transfer amounts received as strategic contribution payments as defined in RCW 43.350.010 to the life sciences discovery fund created in RCW 43.350.070. During the 2009-2011 and 2011-2013 fiscal biennia, the legislature may transfer less than the entire strategic contribution payments, and may transfer amounts attributable to strategic contribution payments into the basic health plan stabilization account. During the 2013-2015 fiscal biennium, the legislature may transfer less than the entire strategic contribution payments, and may transfer amounts attributable to strategic contribution payments into the state general fund and the education legacy trust account.

(3) The tobacco prevention and control account is created in the state treasury. The source of revenue for this account is moneys transferred to the account from the tobacco settlement account, investment earnings, donations to the account, and other revenues as directed by law. Expenditures from the account are subject to appropriation. During the 2009-2011 fiscal biennium, the legislature may transfer from the tobacco prevention and control account to the state general fund such amounts as represent the excess fund balance of the account.

Sec. 915. RCW 43.325.040 and 2013 2nd sp.s. c 4 s 984 are each amended to read as follows:

(1) The energy freedom account is created in the state treasury. All receipts from appropriations made to the account and any loan payments of principal and interest derived from loans made under the energy freedom account must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for financial assistance for further funding for projects consistent with this chapter or otherwise authorized by the legislature.

(2) The green energy incentive account is created in the state treasury as a subaccount of the energy freedom account. All receipts from appropriations made to the green energy incentive account shall be deposited into the account, and may be spent only after appropriation. Expenditures from the account may be used only for:

(a) Refueling projects awarded under this chapter;

(b) Pilot projects for plug-in hybrids, including grants provided for the electrification program set forth in RCW 43.325.110; and

(c) Demonstration projects developed with state universities as defined in RCW 28B.10.016 and local governments that result in the design and building of a hydrogen vehicle fueling station.

(3)(a) The energy recovery act account is created in the state treasury. State and federal funds may be deposited into the account and any loan payments of principal and interest derived from loans made from the energy recovery act account must be deposited into the account. Moneys in the account may be spent only after appropriation.

(b) Expenditures from the account may be used only for loans, loan guarantees, and grants that encourage the establishment of innovative and sustainable industries for renewable energy and energy efficiency technology, including but not limited to:

(i) Renewable energy projects or programs that require interim financing to complete project development and implementation;

(ii) Companies with innovative, near-commercial or commercial, clean energy technology; and

(iii) Energy efficiency technologies that have a viable repayment stream from reduced utility costs.

(c) The director shall establish policies and procedures for processing, reviewing, and approving applications for funding under this section. When developing these policies and procedures, the department must consider the clean energy leadership strategy developed under section 2, chapter 318, Laws of 2009.

(d) The director shall enter into agreements with approved applicants to fix the term and rates of funding provided from this account.

(e) The policies and procedures of this subsection (3) do not apply to assistance awarded for projects under RCW 43.325.020(3).

(4) Any state agency receiving funding from the energy freedom account is prohibited from retaining greater than three percent of any funding provided from the energy freedom account for administrative overhead or other deductions not directly associated with conducting the research, projects, or other end products that the funding is designed to produce unless this provision is waived in writing by the director.

(5) Any university, institute, or other entity that is not a state agency receiving funding from the energy freedom account is prohibited from retaining greater than fifteen percent of any funding provided from the energy freedom account for administrative overhead or other deductions not directly associated with conducting the research, projects, or other end products that the funding is designed to produce.

(6) Subsections (2), (4), and (5) of this section do not apply to assistance awarded for projects under RCW 43.325.020(3).

(7) During the 2013-2015 fiscal biennium, the legislature may transfer from the energy freedom account to the state general fund and the education legacy trust account such amounts as reflect the excess fund balance of the account.

Sec. 916. RCW 67.70.260 and 2011 1st sp.s. c 50 s 962 are each amended to read as follows:

There is hereby created the lottery administrative account in the state treasury. The account shall be managed, controlled, and maintained by the director. The legislature may appropriate from the account for the payment of costs incurred in the operation and administration of the lottery. During the 2001-2003 fiscal biennium, the legislature may transfer from the lottery administrative account to the state general fund such amounts as reflect the appropriations reductions made by the 2002 supplemental appropriations act for administrative efficiencies and savings. During the ((~~2011-2013~~)) 2013-2015 fiscal biennium, the lottery administrative account may also be used to fund an independent forecast of the lottery revenues conducted by the economic and revenue forecast council.

Sec. 917. RCW 77.36.170 and 2013 c 329 s 2 are each amended to read as follows:

(1) The department may pay no more than fifty thousand dollars per fiscal year from the state wildlife account created in RCW 77.12.170 for claims and assessment costs for injury or loss of livestock caused by wolves submitted under RCW 77.36.100.

(2) Notwithstanding other provisions of this chapter, the department may also accept and expend money from other sources to address injury or loss of livestock or other property caused by wolves consistent with the requirements on that source of funding.

(3) If any wildlife account expenditures authorized under subsections (1) and (4) of this section are unspent as of June 30th of a fiscal year, the state treasurer shall transfer the unspent amount to the wolf-livestock conflict account created in RCW 77.36.180.

(4) During the 2014 fiscal year, the department may pay no more than two hundred and fifty thousand dollars from the state wildlife account created in RCW 77.12.170 for claims and assessment costs for injury or loss of livestock caused by wolves submitted under RCW 77.36.100.

Sec. 918. RCW 82.08.160 and 2013 2nd sp.s. c 4 s 1003 are each amended to read as follows:

(1) On or before the twenty-fifth day of each month, all taxes collected under RCW 82.08.150 during the preceding month must be remitted to the state department of revenue, to be deposited with the state treasurer. Except as provided in subsections (2), (3), and (4) of this section, upon receipt of such moneys the state treasurer must credit sixty-five percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) and one hundred percent of the sums collected and remitted under RCW 82.08.150 (3) and (4) to the state general fund and thirty-five percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) to a fund which is hereby created to be known as the "liquor excise tax fund."

(2) During the 2012 fiscal year, 66.19 percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the state general fund and the remainder collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the liquor excise tax fund.

(3) During fiscal year 2013, all funds collected under RCW 82.08.150 (1), (2), (3), and (4) must be deposited into the state general fund.

(4) During the 2013-2015 fiscal biennium, ((~~eighty two~~)) seventy-seven and one-half percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the state general fund and the remainder collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the liquor excise tax fund. The amendments in this section are curative, clarifying, and remedial and apply retroactively to July 1, 2013.

Sec. 919. 2013 2nd sp.s. c 35 s 39 (uncodified) is amended to read as follows:

The sum of one hundred seventy-six thousand dollars of the state general fund for the fiscal year ending June 30, 2014, and one hundred seventy-six thousand dollars of the state general fund for the fiscal year ending June 30, 2015, or as much thereof as may be necessary, are appropriated to the ((~~Washington traffic safety~~)) criminal justice training commission solely for the purposes of ((~~section 25 of this act~~)) RCW 36.28A.320.

NEW SECTION. **Sec. 920.** 2013 2nd sp.s. c 35 s 40 (uncodified) is repealed.

NEW SECTION. **Sec. 921.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

The sum of one hundred seventy thousand dollars from the state general fund for the fiscal year ending June 30, 2014, and two hundred twenty-seven thousand dollars of the state general fund for the fiscal year ending June 30, 2015, or as much thereof as may be necessary, are appropriated for expenditure into the county criminal justice assistance account. The treasurer shall make quarterly distributions from the county criminal justice assistance account of the amounts provided in this section in accordance with RCW 82.14.310 for the purposes of reimbursing local jurisdictions for increased costs incurred as a result of the mandatory arrest of repeat offenders pursuant to chapter 35, Laws of 2013 2nd sp. sess. The first distribution for fiscal year 2014 shall include amounts from previous quarters for which distributions were not made. The appropriations and distributions made under this section constitute appropriate reimbursement for costs for any new programs or increased level of services for the purposes of RCW 43.135.060.

NEW SECTION. **Sec. 922.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

The sum of one hundred thousand dollars from the state general fund for the fiscal year ending June 30, 2014, and one hundred thirty-three thousand dollars from the state general fund for the fiscal year ending June 30, 2015, or as much thereof as may be necessary, are appropriated for expenditure into the municipal criminal justice assistance account. The treasurer shall make quarterly distributions from the municipal criminal justice assistance account of the amounts provided in this section in accordance with RCW 82.14.320, for the purposes of reimbursing local jurisdictions for increased costs incurred as a result of the mandatory arrest of repeat offenders pursuant to chapter 35, Laws of 2013 2nd sp. sess. The first distribution for fiscal year 2014 shall include amounts from previous quarters for which distributions were not made. The appropriations and distributions made under this section constitute appropriate reimbursement for costs for any new programs or increased level of services for the purposes of RCW 43.135.060.

NEW SECTION. **Sec. 923.** Section 915 of this act expires June 30, 2016.

Sec. 924. 2007 c 465 s 3 (uncodified) is amended to read as follows:

This act expires June 30, ((~~2014~~)) 2015.

Sec. 925. 2009 c 520 s 96 (uncodified) is amended to read as follows:

Section 63 of this act expires June 30, ((~~2014~~)) 2015.

NEW SECTION. **Sec. 926.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 927.** 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.

(End of Bill)"

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WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD ..... 234"

Correct the title.

Representative Pollet moved the adoption of amendment (830).

On page 14, after line 9, insert the following:

"(6) Within appropriated funds, the office of the education ombuds shall develop a scope of work and proposed plan for a task force on success for students with special needs that will: (a) Define and assess barriers that students placed or qualified to be placed in special education and students with a plan for accommodation under section 504 of the federal rehabilitation act of 1973 face in earning a high school diploma and fully accessing the educational program provided by the public schools; and (b) outline recommendations for systemic changes and successful models for education and service delivery, including improved coordination of early learning through postsecondary education and career preparation. With input from interested parents, educators, state agencies, and organizations representing students placed or qualified to be placed in special education and students with a section 504 plan, the office of the education ombuds shall invite representative individuals to participate in the task force. The office of the education ombuds shall submit the scope of work and proposed task force plan to the education and fiscal committees of the legislature by December 1, 2014, along with a request for additional funds necessary to implement the plan. To the extent possible within appropriated funds, the office of the education ombuds may convene the task force and commence its work before June 30, 2015."

Representatives Pollet and Dahlquist spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (830) was adopted.

Representative Chandler moved the adoption of amendment (814).

On page 15, line 11, increase the public records, efficiency, preservation, and access account--state appropriation by $813,000

On page 15, line 21, correct the total.

Representative Chandler spoke in favor of the adoption of the amendment to the striking amendment.

Representative Hunter spoke against the adoption of the amendment to the striking amendment.

Amendment (814) was not adopted.

Representative Sawyer moved the adoption of amendment (837).

On page 29, after line 30, insert the following:

"(30) If Engrossed Substitute House Bill 2368 (homeless housing surcharge) is not enacted by June 30, 2014, the department must, within the amounts appropriated in this section, conduct a study on the impacts in the fiscal year 2015-17 and fiscal year 2017-19 biennia of the scheduled reduction of the local homeless housing and assistance document surcharge from $40 in the current biennium to $30 in 2015, and to $10 in 2017. The study must look at a variety of areas including but not limited to estimated impacts on local housing programs, rates of homelessness, criminal justice systems, and private rental markets. The department must submit a report on the findings of this study, to the extent it is required in this subsection, by December 1, 2014."

Representative Sawyer spoke in favor of the adoption of the amendment to the striking amendment.

Representative Chandler spoke against the adoption of the amendment to the striking amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 56 - YEAS; 41 - NAYS.

Amendment (837) was adopted.

Representative Schmick moved the adoption of amendment (828).

On page 30, line 10, increase the general fund-state appropriation for fiscal year 2015 by $300,000

On page 30, line 26, correct the total appropriation

On page 35, after line 15, insert the following:

"(13) $300,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for an evidence-based comprehensive study and progress report of staffing ratios and safety assessments in department of corrections facilities. For the purposes of this study, "department of corrections facilities" means facilities operated by the department of corrections to house persons convicted of a criminal offense who are in full confinement. The office of financial management shall contract with consultants with expertise related to the subject matters included in this study. The office of financial management and the consultants shall consult with (i) the department of corrections, (ii) stakeholder groups that represent the people served in these institutions, (iii) labor organizations that represent employees who work in these institutions; and (iv) other persons or entities with expertise in the areas being studied. In conducting this study, the consultants shall consider the following factors as appropriate:(i) the number and type of staff at each of the department of corrections facilities; (ii) the adequacy and costs of current staffing at department of corrections facilities; (iii) the need, availability, and costs of improving staffing at department of corrections facilities; (iv) the geographic factors associated with staffing department of corrections facilities, including the impact of
staffing on the local economy and the economic impact of reducing or increasing staffing at department of corrections facilities; (v) the safety of employees at department of corrections facilities including all reported incidents of assault or other crimes committed against such employees; (vi) a review of the all security-related policies and procedures at department of corrections facilities; (vi) the implementation and consistent application of policy recommendations resulting from the national institute of corrections review of prison safety and the statewide security advisory committee regarding security issues in department of corrections facilities as provided for in Chapter 252 Laws of 2011, (ESB 5907). The office of financial management shall submit a final report to the governor, the house of representatives and the appropriate policy and fiscal committees of the legislature by December 1, 2014. The report shall provide any recommendations and a plan, if necessary, to improve staffing ratios and employee safety at department of corrections facilities. The report shall include an individual assessment of staffing and safety at each department of corrections facility, and any costs or savings associated with each recommendation. The office of financial management shall submit a report on the progress by the department of corrections of implementing the recommendations and plan to the same committees of the legislature no later than December 1, 2015."

Representatives Schmick, Hudgins and Ross spoke in favor of the adoption of the amendment to the striking amendment.

draft

Amendment (828) was adopted.

Representative Sullivan moved the adoption of amendment (863).

On page 30, line 10, reduce the general fund--state appropriation for fiscal year 2015 by $200,000

On page 30, line 26, correct the total appropriation

On page 33, line 22, strike all of subsection 8

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 224, line 13, increase the general fund--state appropriation for fiscal year 2015 by $50,000

On page 224, line 16, correct the total appropriation

On page 225, after line 14, insert the following:

"(4) $50,000 of the general fund—state appropriation for fiscal year 2015 is provided solely for the William D. Ruckelshaus Center to convene and facilitate a collaborative process to address issues related to public records requests of local governments. A task force shall be convened by the Ruckelshaus Center representing a balanced cross-section of parties and interests (not to exceed 20 individuals), in order to collaboratively seek solutions for issues identified in the Ruckelshaus Center's December 2013 report to the legislature on public records requests made to local governments. The Ruckelshaus Center will facilitate one meeting of the task force every two months, and one meeting per month of a framing group comprised of leaders representing the various perspectives, selected by the Ruckelshaus Center. The Ruckelshaus Center shall provide a report containing the task force's recommendations to appropriate committees of the legislature by December 15, 2014."

Renumber the remaining subsections consecutively and correct any internal references accordingly.

Representatives Sullivan, Manweller, Pollet and Takko spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (863) was adopted.

Representative Hunter moved the adoption of amendment (865).

One page 53, line 22, increase the general fund--federal appropriation by $65,000

On page 53, line after line 29, insert the following:

"Education Legacy Trust Account--State Appropriation . . . . . $446,000"

On page 53, line 31, correct the total.

On page 59, after line 11, insert the following:

"(20) $446,000 of the education legacy trust account--state appropriation and $65,000 of the general fund--federal appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2377 (early care and education). This funding is provided for costs related to the 2 percent quality payments and tiered reimbursement rate increases."

On page 88, after line 17, insert the following:

"Education Legacy Trust Account--State Appropriation . . . . . $4,996,000"

On page 88, line 19, correct the total.

On page 88, line 24, after "2015," insert "$4,996,000 of the Education Legacy Trust Account appropriation,"

On page 89, line 29, after ((~~$367,676,000~~)) strike "$354,360,000" and insert "$358,992,000"

On page 89, line 31, after "RCW 43.215.135." insert "The working connections child care program is capped at 30,000 households per month. $4,632,000 of the education legacy trust account appropriation in subsection (1)(a) is provided solely for implementation of Engrossed Second Substitute House Bill No 2377 (early care and education)."

On page 89, line 32, after "((~~$142,124,000~~)) strike "$170,999,000" and insert "$171,363,000"

On page 89, line 34, after "overhead." insert "$364,000 of the education legacy trust account appropriation in subsection (1)(a) is provided solely for implementation of Engrossed Second Substitute House Bill No 2377 (early care and education)."

On page 227, line 28, increase the education legacy trust account--state appropriation by $39,000

On page 227, line 30, correct the total.

On page 228, line 36, after "(7)" insert the following:

"$39,000 of the education legacy trust account--state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2377 (early care and education). (8)"

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 235, after line 1, insert the following:

"Education Legacy Trust Account--State Appropriation. . . . . $8,030,000"

On page 235, line 3, correct the total.

On page 238, line 31, after "(15)" strike the remainder of the section and insert the following:

"$8,030,000 of the education legacy trust account--state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 2377 (early care and education). Of the amounts in this subsection:

(a) $2,603,000 of the education legacy trust account--state appropriation is provided solely for the department to implement early achievers tiered reimbursement for child care center providers. The department shall establish tiered reimbursement for providers in levels III, IV, and V of early achievers. The tiered reimbursement rates shall be implemented equitably across provider type. The department shall base the rates for tiered reimbursement on the child care cost model study completed in 2013 and factor in any increases in the base subsidy rate in establishing the tier reimbursement rates. The department shall continue to use a child care cost model as the basis for developing rates in the future. The working connections child care program is capped at 30,000 households per month.

(b) $804,000 of the education legacy trust account--state appropriation is provided solely for the department to implement a substitute pool and establish need-based grants consistent with Section 4 of Engrossed Second Substitute House Bill No. 2377 (early education and care)."

On page 273, after line 3, insert the following:

"**Sec. 919.** RCW 83.100.230 and 2012 1st sp.s. c 10 s 7 are each amended to read as follows:

The education legacy trust account is created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for support of the common schools, and for expanding access to higher education through funding for new enrollments and financial aid, and other educational improvement efforts. During the 2013-15 fiscal biennium, the education legacy trust account may be used for expenditures related to Engrossed Second Substitute House Bill No. 2377 (Early care and education)."

Renumber remaining sections consecutively and correct any internal references accordingly.

Representative Hunter spoke in favor of the adoption of the amendment to the striking amendment.

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Representative Wilcox spoke against the adoption of the amendment to the striking amendment.

Division was demanded and the demand was sustained. The Speaker (Representative Moeller presiding) divided the House. The result was 56 - YEAS; 41 - NAYS.

Amendment (865) was adopted.

Representative Taylor moved the adoption of amendment (842).

On page 75, line 7, increase the general fund--state appropriation for fiscal year 2014 by $1,750,000

On page 75, line 9, increase the general fund--state appropriation for fiscal year 2015 by $7,000,000

On page 75, line 11, increase the general fund--federal appropriation by $8,650,000

On page 75, line 15, correct the total.

On page 77, line 27, after "disabilities by" strike "thirty cents" and insert "one dollar"

On page 79, line 16, increase the general fund--state appropriation for fiscal year 2014 by $2,373,000

On page 79, line 18, increase the general fund--state appropriation for fiscal year 2015 by $9,489,000

On page 79, line 28, correct the total.

On page 88, after line 5, insert "(23) $2,373,000 of the general fund--state appropriation for fiscal year 2014 and $9,489,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for an expansion of the family caregiver support program."

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 98, line 26, decrease the general fund--state appropriation for fiscal year 2014 by $2,930,000

On page 98, line 28, decrease the general fund--state appropriation for fiscal year 2015 by $11,719,000

On page 98, line 30, decrease the general fund--federal appropriation by $16,333,000

On page 99, line 9, correct the total.

On page 116, after line 16, insert the following:

"(56) None of the amounts provided in this section may be used to provide grants to or reimburse, through managed care or fee-for-service, for services provided by planned parenthood.

(57) None of the amounts provided in this section may be used to pay for abortions."

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 123, line 16, increase the general fund--state appropriation for fiscal year 2014 by $622,000

On page 123, line 18, increase the general fund--state appropriation for fiscal year 2014 by $2,489,000

On page 123, line 26, correct the total.

On page 123, line 28, after "limitations:" insert "(a)"

On page 123, after line 33, insert "(b) 622,000 of the general fund--state appropriation for fiscal year 2014 and $2,489,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for an expansion of programs that serve disabled veterans."

On page 124, line 13, decrease the general fund--state appropriation for fiscal year 2014 by $1,815,000

On page 124, line 15, decrease the general fund--state appropriation for fiscal year 2015 by $7,259,000

On page 124, line 17, decrease the general fund--federal appropriation by $1,514,000

On page 125, line 14, correct the total.

On page 132, after line 15, insert the following:

"(29) None of the amounts provided in this section may be used to provide grants to or reimburse, through managed care or fee-for-service, for services provided by planned parenthood.

(30) None of the amounts provided in this section may be used to pay for abortions."

Renumber the remaining subsections consecutively and correct any internal references accordingly.

Representatives Taylor, Overstreet, Klippert, Shea, G. Hunt, Overstreet (again) and Ross spoke in favor of the adoption of the amendment to the striking amendment.

Representatives Takko, Jinkins and Hunter spoke against the adoption of the amendment to the striking amendment.

Amendment (842) was not adopted.

Representative Cody moved the adoption of amendment (854).

On page 79, line 34, after "described in (a)" strike "and" and insert "((~~and~~))"

On page 79, line 34, after "(b)" insert ", (g), (h), and (i)"

On page 80, line 25, strike "$3.15" and insert "the industry weighted average rate of $4.22"

On page 80, line 37, after "section" insert "the support services add-on found in subsection (1)(h) of this section, the therapy care add-on found in subsection (1)(i) of this section"

On page 81, line 11, after "section" insert "the support services add-on found in subsection (1)(h) of this section, the therapy care add-on found in subsection (1)(i) of this section"

On page 81, line 26, after "(d)" strike ". and (g)" and insert ", (g), (h), and (i)"

On page 81, line 29, strike "applied evenly across all nursing facilities of no more than six percent of the direct care payment rate calculated according to chapter 74.46 RCW" and insert "of $3.63 per patient day"

On page 81, after line 32, insert

"(h) For fiscal year 2015, the department shall provide a support services rate add-on of $0.85 per patient day. This subsection (h) is subject to the reconciliation and settlement process provided in RCW 74.46.022(6).

(i) For fiscal year 2015, the department shall provide a therapy care rate add-on of $0.05 per patient day. This subsection (h) is subject to the reconciliation and settlement process provided in RCW 74.46.022(6)."

Representative Cody spoke in favor of the adoption of the amendment to the striking amendment.

Representative Schmick spoke against the adoption of the amendment to the striking amendment.

Amendment (854) was adopted.

Representative Hunter moved the adoption of amendment (864).

On page 98, line 28, increase the general fund--state appropriation for fiscal year 2015 by $3,856,000

On page 98, line 30, increase the general fund--federal appropriation by $3,689,000

On page 99, line 9, correct the total.

On page 116, beginning on line 4, strike all of subsection 54

Renumber the remaining subsections consecutively and correct any internal references accordingly.

draft

Representatives Hunter and Schmick spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (864) was adopted.

Representative Riccelli moved the adoption of amendment (821).

On page 114, beginning on line 33, after "solely to" strike all material through "lapse" on line 31 and insert "begin the necessary econometric modeling of the federal basic health program option to analyze the program enrollment, and the costs and impacts to the state, the enrollees, health care provider and facility reimbursement, and the insurance marketplace. By December 31, 2014, the authority shall publish a report on the findings of the econometric modeling. The report shall include impacts on:

(a) Reimbursement levels affecting provider participation and its relationship to network adequacy in the program;

(b) The financial stability of the Washington health benefit exchange, including enrollment, risk profile, and fees for operational sustainability; and

(c) Continuity of care, access, and affordability of coverage for potential enrollees in the federal basic health program compared to the insurance marketplace"

Representatives Riccelli and Hunter spoke in favor of the adoption of the amendment to the striking amendment.

Representative Manweller spoke against the adoption of the amendment to the striking amendment.

Amendment (821) was adopted.

Representative Habib moved the adoption of amendment (819).

On page 166, line 7, increase the general fund--state appropriation for fiscal year 2014 by $19,000

On page 166, line 9, increase the general fund--state appropriation for fiscal year 2015 by $48,000

On page 166, line 35, correct the total appropriation

On page 167, after line 27 insert:

"(6) $19,000 of the general fund--state appropriation for fiscal year 2014 and $48,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for a pilot identicard program to assist and prepare offenders for release from prison and reentry into the community. The goal of the pilot identicard program is to provide proper state identification to offenders to facilitate access to services, employment, housing, and various other opportunities upon release to the community. By September 1, 2014, the department of licensing, working in conjunction with the department of corrections, must implement the pilot identicard program in accordance with the following:

(a) The pilot program must provide an original, renewal, or replacement identicard to offenders that: (i) prove their identity as required by RCW 46.20.035; (ii) are under the custody of the department of corrections; (iii) have been sentenced to an incarceration period exceeding one year and one day; and (iv) are incarcerated within the Monroe correctional complex and within two months or less of release.

(b) For purposes of verifying an offender's identity and eligibility for the program, a valid identification card issued by the department of corrections serves as sufficient proof of identity and residency for an offender to apply for and obtain a Washington state identicard.

(c) For the purposes of the pilot program, and notwithstanding the provisions of chapter 46.20.117 RCW, the department of licensing must (i) waive the requirement that the offender not hold a valid Washington driver's license in order to receive an identicard; (ii) set an expiration date for an identicard issued under the pilot program for the first anniversary of the offender's birthdate after issuance; and (iii) not charge any fee to an applicant for an identicard issued as part of the pilot program.

(d) The department of licensing, in consultation with the department of corrections, must report to the governor and the appropriate committees of the legislature on the results of the pilot identicard program and any recommendations for improvement by June 30, 2015."

Representatives Habib and Klippert spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (819) was adopted.

Representative Santos moved the adoption of amendment (825).

On page 170, line 9, increase the general fund--state appropriation for fiscal year 2015 by $100,000

On page 170, line 16, correct the total

On page 170, at the beginning of line 21, strike "$17,595,000" and insert "$17,695,000"

On page 178, after line 2, insert the following:

"(ee) $100,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the Washington civil liberties education program."

Representative Santos spoke in favor of the adoption of the amendment to the striking amendment.

Representative Dahlquist spoke against the adoption of the amendment to the striking amendment.

Amendment (825) was adopted.

Representative Hayes moved the adoption of amendment (848).

On page 170, line 9, increase general fund--state appropriation for fiscal year 2015 by $50,000

On page 170, line 16, correct the total

On page 170, beginning on line 21, strike "$17,595,000" and insert "$17,645,000"

On page 178, after line 2, insert the following:

"(ee) $50,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the superintendent of public instruction to convene a workgroup to examine state and federal audit requirements. The work group may include, but is not limited to, representatives from small, medium and large school districts; a representative of the office of the state auditor; a representative of the Washington state school directors' association; and legislators. The work group must identify state and federal audit requirements that are duplicative and make recommendations to the legislature to reduce school district costs and workload related to duplicative audit requirements. The superintendent shall submit the findings and recommendations of the work group to the legislature by December 1, 2015."

Representatives Hayes and Hunter spoke in favor of the adoption of the amendment to the striking amendment.

draft

Amendment (848) was adopted.

Representative Hunter moved the adoption of amendment (866).

On page 180, line 10, decrease the general fund--state appropriation for fiscal year 2015 by $1,776,000

On page 180, line 15, correct the total

On page 181, line 9, after "1.216" insert "for the 2013-14 and 2014-15 school years"

On page 181, line 10, after "2.009" insert "for the 2013-14 school year and 2.539 for the 2014-15 school year"

On page 181, line 30, after "allocations for" insert "laboratory science,"

On page 182, beginning on line 32, after "K-6" strike all material through "school year." on page 183, line 6, and insert ", and 16.67 percent in grades 7-12; and"

On page 183, line 7, after "(iv)" strike "Laboratory science, advanced" and insert "((~~Laboratory science~~)) Advanced"

On page 183, line 7, after "placement" strike "," and insert "((~~,~~))"

On page 183, line 21, after "FTE's" insert "for the 2013-14 school year, and 2.72 per 1000 student FTE's for the 2014-15 school year"

On page 183, line 22, after "FTE's" insert "for the 2013-14 school year, and 3.06 per 1000 student FTE's for the 2014-15 school year"

On page 185, line 10, after "((~~2.00~~))" strike "1.99" and insert "0.90"

On page 185, line 12, after "((~~15.98~~))" strike "16.00" and insert "17.29"

On page 186, beginning on line 27, after "Students in" strike all material through "subsection." on line 29 and insert "((~~laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.~~)) grades 9-12 generate per student FTE MSOC allocations in addition to the allocation provided in (a) of this subsection at the following rate:

	2014-15 School Year
Technology	$36.35
Curriculum and Textbooks	$39.02
Other Supplies and Library Materials	$82.84
Instructional Professional Development for Certificated and Classified Staff	$6.04
TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	$164.25

On page 196, line 5, increase the general fund--state appropriation for fiscal year 2015 by $1,129,000

On page 196, line 11, correct the total

On page 197, line 1, after "allocations" strike "for increased instructional hours ((~~for grades seven through twelve~~)) as" and insert "((~~for increased instructional hours for grades seven through twelve as~~))"

On page 197, beginning on line 4, strike "(2)(c)(iii)(B); allocations"

Representatives Hunter and Dahlquist spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (866) was adopted.

Representative Haigh moved the adoption of amendment (823).

On page 187, line 24, after "contact," insert "academic counseling, career counseling, or case management contact,"

Representatives Haigh, Dahlquist, Hunter, Wilcox and Dahlquist (again) spoke in favor of the adoption of the amendment to the striking amendment.

Amendment (823) was adopted.

Representative Dunshee moved the adoption of amendment (881).

On page 192, after line 34, insert the following:

"**Sec. 503.** 2013 2nd sp.s. c 4 s 503 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION

(1) The following calculations determine the salaries used in the state allocations for certificated instructional, certificated administrative, and classified staff units as provided in RCW 28A.150.280 and under section 502 of this act:

(a) Salary allocations for certificated instructional staff units are determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP document 1; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district are determined based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on ((~~June 1, 2013 at 08:06 hours~~)) February 23, 2014, at 9:06 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on ((~~June 1, 2013 at 01:29 hours~~)) February 23, 2014, at 12:29 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 18.04 percent for school year 2013-14 and 18.04 percent for school year 2014-15 for certificated instructional and certificated administrative staff and 17.45 percent for school year 2013-14 and 17.45 percent for the 2014-15 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedules for certificated instructional staff are established for basic education salary allocations:

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2013-14

*** Education Experience ***

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph.D.
0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
1	34,50	35,439	36,403	37,400	40,496	42,459	41,27	44,370	46,332

	6						4		
2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
11				46,772	50,121	52,557	50,249	53,599	56,034
12				48,249	51,761	54,269	51,835	55,238	57,748
13					53,440	56,024	53,476	56,918	59,501
14					55,128	57,844	55,165	58,716	61,322
15					56,563	59,349	56,599	60,242	62,917
16 or more					57,693	60,535	57,731	61,447	64,174

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2014-15
*** Education Experience ***

((~~Years of Service~~	~~BA~~	~~BA+15~~	~~BA+30~~	~~BA+45~~	~~BA+90~~	~~BA+135~~	~~MA~~	~~MA+45~~	~~MA+90 OR Ph. D.~~
~~0~~	~~34,048~~	~~34,968~~	~~35,920~~	~~36,875~~	~~39,939~~	~~41,913~~	~~40,820~~	~~43,885~~	~~45,860~~
~~1~~	~~34,506~~	~~35,439~~	~~36,403~~	~~37,400~~	~~40,496~~	~~42,459~~	~~41,274~~	~~44,370~~	~~46,332~~
~~2~~	~~34,943~~	~~35,884~~	~~36,859~~	~~37,933~~	~~41,020~~	~~43,004~~	~~41,731~~	~~44,818~~	~~46,802~~
~~3~~	~~35,393~~	~~36,343~~	~~37,329~~	~~38,437~~	~~41,518~~	~~43,549~~	~~42,164~~	~~45,243~~	~~47,276~~
~~4~~	~~35,834~~	~~36,826~~	~~37,818~~	~~38,964~~	~~42,064~~	~~44,110~~	~~42,618~~	~~45,718~~	~~47,765~~
~~5~~	~~36,290~~	~~37,287~~	~~38,288~~	~~39,498~~	~~42,586~~	~~44,673~~	~~43,080~~	~~46,169~~	~~48,256~~
~~6~~	~~36,759~~	~~37,734~~	~~38,769~~	~~40,039~~	~~43,113~~	~~45,211~~	~~43,552~~	~~46,626~~	~~48,723~~
~~7~~	~~37,582~~	~~38,572~~	~~39,621~~	~~40,960~~	~~44,079~~	~~46,235~~	~~44,438~~	~~47,556~~	~~49,713~~
~~8~~	~~38,787~~	~~39,831~~	~~40,905~~	~~42,355~~	~~45,516~~	~~47,751~~	~~45,832~~	~~48,994~~	~~51,228~~
~~9~~		~~41,135~~	~~42,262~~	~~43,765~~	~~46,999~~	~~49,310~~	~~47,241~~	~~50,477~~	~~52,788~~
~~10~~			~~43,635~~	~~45,247~~	~~48,524~~	~~50,913~~	~~48,724~~	~~52,003~~	~~54,390~~
~~11~~				~~46,772~~	~~50,121~~	~~52,557~~	~~50,249~~	~~53,599~~	~~56,034~~
~~12~~				~~48,249~~	~~51,761~~	~~54,269~~	~~51,835~~	~~55,238~~	~~57,748~~
~~13~~					~~53,440~~	~~56,024~~	~~53,476~~	~~56,918~~	~~59,501~~
~~14~~					~~55,128~~	~~57,844~~	~~55,165~~	~~58,716~~	~~61,322~~
~~15~~					~~56,563~~	~~59,349~~	~~56,599~~	~~60,242~~	~~62,917~~
~~16 or more~~					~~57,693~~	~~60,535~~	~~57,731~~	~~61,447~~	~~64,174~~))

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph. D.
0	34,457	35,388	36,352	37,318	40,419	42,416	41,311	44,412	46,411
1	34,921	35,864	36,841	37,850	40,983	42,969	41,770	44,903	46,889
2	35,363	36,315	37,302	38,389	41,513	43,520	42,233	45,356	47,364
3	35,81	36,780	37,777	38,899	42,017	44,072	42,67	45,787	47,844

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	8						1		
4	36,265	37,269	38,272	39,432	42,569	44,639	43,130	46,267	48,338
5	36,726	37,735	38,748	39,973	43,098	45,210	43,597	46,723	48,835
6	37,200	38,187	39,235	40,520	43,630	45,754	44,076	47,186	49,308
7	38,033	39,035	40,097	41,452	44,608	46,790	44,972	48,127	50,310
8	39,253	40,309	41,396	42,864	46,062	48,325	46,383	49,582	51,843
9		41,629	42,770	44,290	47,564	49,903	47,808	51,084	53,422
10			44,159	45,790	49,107	51,524	49,309	52,627	55,043
11				47,334	50,723	53,189	50,853	54,243	56,707
12				48,828	52,383	54,921	52,457	55,902	58,441
13					54,082	56,697	54,118	57,601	60,216
14					55,790	58,539	55,828	59,421	62,059
15					57,242	60,062	57,279	60,966	63,672
16 or more					58,386	61,262	58,424	62,185	64,945

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

(i) Credits earned since receiving the masters degree; and

(ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

(d) "Years of service" shall be calculated under the same rules adopted by the superintendent of public instruction.

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this part V, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The salary allocation schedules established in this section are for allocation purposes only except as provided in RCW 28A.400.200(2).

Sec. 504. 2013 2nd sp.s. c 4 s 504 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

Education Legacy Trust Account--State Appropriation .....

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

(1)(a) A cost-of-living adjustment of 1.2 percent effective September 1, 2014, in accordance with Initiative Measure No. 732.

(b) Additional salary adjustments as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. Allocations for these salary adjustments shall be provided to all districts that are not grandfathered to receive salary allocations above the statewide salary allocation schedule, and to certain grandfathered districts to the extent necessary to ensure that salary allocations for districts that are currently grandfathered do not fall below the statewide salary allocation schedule.

((~~(b)~~)) (c) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act.

((~~(c)~~)) (d) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act.

((~~(d)~~)) (e) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at 18.04 percent for the 2013-14 school year and 18.04 percent for the 2014-15 school year for certificated instructional and certificated administrative staff and 17.45 percent for the 2013-14 school year and 17.45 percent for the 2014-15 school year for classified staff.

((~~(e)~~)) (f) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act.

((~~(f)~~)) (g) The appropriations in this section include no salary adjustments for substitute teachers.

(2) The maintenance rate for insurance benefit allocations is $768.00 per month for the 2013-14 and 2014-15 school years. The appropriations in this section reflect the incremental change in cost of allocating rates of $768.00 per month for the 2013-14 school year and $768.00 per month for the 2014-15 school year.

(3) The rates specified in this section are subject to revision each year by the legislature."

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 215, after line 2, insert the following:

"**Sec. 601.** 2013 2nd sp.s. c 4 s 601 (uncodified) is amended to read as follows:

The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

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(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the office of financial management's office of the state human resources director for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(4)(a) For institutions receiving appropriations in section 605 of this act, the only allowable salary increases provided are those with normally occurring promotions and increases related to faculty and staff retention, except as provided in section 604(4) of this act and for employees subject to the provisions of Initiative Measure No. 732 as provided in section 604(12) of this act. In fiscal year 2014 and fiscal year 2015, the state board for community and technical colleges may use salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional development and training.

(b) For employees under the jurisdiction of chapter 41.56 RCW, salary increases will be in accordance with the applicable collective bargaining agreement including adjustments made for employees subject to the provisions of Initiative Measure No. 732 as provided in section 604(12) of this act. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(c) For each institution of higher education receiving appropriations under sections 606 through 611 of this act:

(i) The only allowable salary increases are those associated with normally occurring promotions and increases related to faculty and staff retention; and

(ii) Institutions may provide salary increases from other sources to instructional and research faculty at the universities and The Evergreen State College, exempt professional staff, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under chapter 41.80 RCW. Any salary increase granted under the authority of this subsection (4)(c)(ii) shall not be included in an
institution's salary base for future state funding. It is the intent of the legislature that state general fund support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (4)(c)(ii).

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 219, line 34, increase the education legacy trust account--state appropriation by $4,297,000

On page 219, line 36, correct the total.

On page 221, line 28, after "(12)" insert the following:

"$4,297,000 of the education legacy trust account--state appropriation is provided solely for increasing salaries for employees who are subject to the provisions of Initiative Measure No. 732 by
1.2 percent effective July 1, 2014.

(13)"

Renumber the remaining subsections consecutively and correct any internal references accordingly.

On page 239, after line 7, insert the following:
"Education Legacy Trust Account--State Appropriation.....$20,000"

On page 239, line 10, correct the total

On Page 239, after line 10, insert the following:

"The appropriations in this section are subject to the following conditions and limitations: $20,000 of the education legacy trust account--state appropriation is provided solely for a cost-of-living adjustment of 1.2 percent for employees subject to the provisions of Initiative Measure No. 732 effective July 1, 2014."

On page 239, after line 18, insert the following:
"Education Legacy Trust Account--State Appropriation.....$24,000"

On page 239, line 20, correct the total

On page 239, after line 20, insert the following:
"The appropriations in this section are subject to the following conditions and limitations: $24,000 of the education legacy trust account--state appropriation is provided solely for a cost-of-living adjustment of 1.2 percent for employees subject to the provisions of Initiative Measure No. 732 effective July 1, 2014."

Representatives Dunshee, Dahlquist, Sullivan, Hunter and Ortiz-Self spoke in favor of the adoption of the amendment to the striking amendment.

Representative Chandler spoke against the adoption of the amendment to the striking amendment.

Amendment (881) was adopted.

Representative Nealey moved the adoption of amendment (856).

On page 193, line 5, increase the general fund--state appropriation for fiscal year 2015 by $875,000

On page 193, line 7, correct the total

On page 194, after line 11, insert the following:

"(4) $875,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for one-time pupil transportation expected cost funding formula adjustments related to new skill center start-up costs for transportation of students to and from school districts and new skill centers that are in their first year of operation."

Renumber the remaining subsections consecutively and correct any internal references accordingly.

Representative Nealey spoke in favor of the adoption of the amendment to the striking amendment.

Representative Hunter spoke against the adoption of the amendment to the striking amendment.

Amendment (856) was not adopted.

Representative Haler moved the adoption of amendment (824).

On page 222, line 7, increase the general fund--state appropriation for fiscal year 2015 by $4,000,000

On page 222, line 19, correct the total.

On page 224, line 4, after "(10)" insert the following:

"$4,000,000 of the general fund-state appropriation for fiscal year 2015 is provided solely for implementation of family

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practice residencies consistent with Substitute House Bill No. 2109 (family practice residencies).

(11)"

Representatives Haler, Schmick and Klippert spoke in favor of the adoption of the amendment to the striking amendment.

Representative Hunter spoke against the adoption of the amendment to the striking amendment.

Amendment (824) was not adopted.

Representative Taylor moved the adoption of amendment (847).

On page 248, after line 33, insert the following:

"NEW SECTION. **Sec. 717.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

FOR THE LEGISLATIVE TASK FORCE ON THE TRANSFER OF PUBLIC LANDS

(1) (a)(i) The legislative task force on the transfer of public lands is established, with members as provided as follows:

(A) The speaker of the house of representatives shall appoint two members from each of the two largest caucuses of the house of representatives; and

(B) The president of the senate shall appoint two members from each of the two largest caucuses of the senate.

(ii) The task force shall choose its chair or cochairs from among its membership.

(b) The task force shall, with guidance from other interested parties and stakeholders, prepare proposed legislation:

(i) Creating a public lands commission assigned with:

(A) Administering the transfer of title of public lands from the United States to the state of Washington; and

(B) Addressing the management of public lands and the management of multiple uses of public lands, including managing open space, access to public lands, local planning, and the sustainable yield of natural resources on public lands;

(ii) Establishing actions that must be taken to secure, preserve, and protect the state's rights and benefits related to the United States' duty to have extinguished title to public lands;

(iii) Making any necessary modifications to the definition of "public lands";

(iv) Making a determination of, or creating a process for determining, interests, rights, or uses related to:

(A) Easements;

(B) Geothermal resources;

(C) Grazing;

(D) Mining;

(E) Natural gas;

(F) Oil and other fossil fuels;

(G) Recreation;

(H) Rights of entry;

(I) Special uses;

(J) Timber;

(K) Water; or

(L) Other natural resources or other resources; and

(v) Determining what constitutes "expenses incident to the sale of public lands".

(c) The legislative task force on the transfer of public lands shall also study and determine whether to prepare proposed legislation related to:

(i) An administrative process for:

(A) The United States to extinguish title to public lands;

(B) The state to receive title to public lands from the United States; or

(C) The state to transfer title to any public lands the state receives;

(ii) Establishing a prioritized list of management actions for the state and the political subdivisions of the state to perform on public lands:

(A) Before and after the United States extinguishes title to public lands; and

(B) To preserve and promote the state's interest in:

(I) Protecting public health and safety;

(II) Preventing catastrophic wild fire and forest insect infestation;

(III) Preserving watersheds;

(IV) Preserving and enhancing energy and the production of minerals;

(V) Preserving and improving range conditions; and

(VI) Increasing plant diversity and reducing invasive weeds on range and woodland portions of the public lands;

(VII) Establishing procedures and requirements for subjecting public lands to property taxation;

(VII) Establishing other requirements related to national forests, national recreation areas, or other public lands administered by the United States; and

(VIII) Addressing the indemnification of a political subdivision of the state.

(d) The legislative task force on the transfer of public lands also may study any other issue related to public lands as determined by the commissioner and the attorney general.

(e) The legislative task force on the transfer of public lands shall:

(i) Make preliminary reports on the study and preparation of proposed legislation to the legislature:

(A) By June 30, 2014; and

(B) By October 31, 2014; and

(ii) Deliver a final report containing findings, recommendations, and proposed legislation to the legislature by January 2, 2015.

(f) Staff support for the legislative task force on the transfer of public lands must be provided by the house of representatives office of program research and senate committee services.

(g) Legislative members of the legislative task force on the transfer of public lands must be reimbursed for travel expenses in accordance with RCW 44.04.120.

(h) The expenses of the legislative task force on the transfer of public lands must be paid jointly by the senate and the house of representatives. Task force expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees."

Representatives Taylor, Wilcox, Shea and Young spoke in favor of the adoption of the amendment to the striking amendment.

Representative Hunter spoke against the adoption of the amendment to the striking amendment.

Amendment (847) was not adopted.

Representative Hunter moved the adoption of amendment (869).

On page 274, after line 16, insert the following:

"NEW SECTION. **Sec. 923.** (1) A joint task force on local education financing reform is established with the following members:

(a) Four members from the house of representatives, two from each major caucus, appointed by the speaker of the house of representatives;

(b) Four members from the senate, two from each major caucus, appointed by the majority leader and minority leader of the major caucuses of the senate;

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(c) The governor or the governor's designee; and

(d) The superintendent of public instruction or the superintendent's designee.

(2) Appointments to the task force shall be completed within thirty days of the effective date of this section.

(3) The task force shall be cochaired by one member of the house of representatives and one member of the senate, selected by the members of the task force.

(4) The task force shall:

(a) Review the work of the levy and local effort assistance technical working group created in accordance with chapter 548, Laws of 2009, and amended by chapter 236, Laws of 2010, and other relevant studies and information;

(b) Review the use of local levies by school districts, including the level of funding and how the funding is used by school districts;

(c) Review issues related to various aspects of the local levy process, including school district levy authority, the determination of the levy base, the different levy lids, levy equalization, school choice to use excess levies rather than regular levies, and other voter approval strategies available to school districts;

(d) Review issues related to the small school factor in state funding formulas;

(e) Review the work of the compensation technical working group created in accordance with chapter 548, Laws of 2009, and amended by chapter 236, Laws of 2010, and other relevant studies and information as they relate to salary grandfathering and regional compensation differences in state funding formulas;

(f) Review issues related to grandfathered base salary allocations for certificated instructional staff in state funding formulas;

(g) Review options for addressing regional labor market differences in state funding formulas; and

(h) Recommend approaches in a report to the governor and the legislature to address a system for state and local funds that are distributed in a manner that provides all children with the opportunity to meet the state's academic standards and become prepared for postsecondary careers and education, and that provides compensation allocations that are adequate to hire and retain competent teachers.

(5) Findings and recommendations from the task force shall be reported to fiscal committees of the legislature by December 20, 2014.

(6) Staff and logistical support for the task force must be provided by the house of representatives office of program research and senate committee services, with assistance as necessary from the office of financial management and the office of the superintendent of public instruction. The first meeting of the task force shall be convened by the house of representatives office of program research and senate committee services within forty-five days of the effective date of this section.

(7) Members of the task force shall be reimbursed for travel expenses as provided in RCW 44.04.120.

(8) This section expires June 30, 2015."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Hunter and Dahlquist spoke in favor of the adoption of the amendment to the striking amendment.

Representative Taylor spoke against the adoption of the amendment to the striking amendment.

Amendment (869) was adopted.

By the adoption of amendment (869), amendment (836) was ruled out of order.

Representatives Hunter, Carlyle, Walkinshaw, Senn, Springer and Sullivan spoke in favor of the adoption of the striking amendment.

Representatives Chandler, Dahlquist, DeBolt, Ross, G. Hunt, Pike, Taylor, Condotta and Parker spoke against the adoption of the striking amendment.

Amendment (812) was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Hunter and Morrell spoke in favor of the passage of the bill.

Representative Chandler spoke against the passage of the bill.

The Speaker (Representative Moeller presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 6002, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 6002, as amended by the House, and the bill passed the House by the following vote: Yeas, 53; Nays, 44; Absent, 0; Excused, 1.

Voting yea: Representatives Appleton, Bergquist, Blake, Carlyle, Clibborn, Cody, Dunshee, Farrell, Fey, Fitzgibbon, Freeman, Goodman, Green, Gregerson, Habib, Haigh, Hansen, Hudgins, Hunter, Hurst, Jinkins, Kagi, Kirby, Lytton, Moeller, Morrell, Morris, Moscoso, Ormsby, Ortiz-Self, Orwall, Pettigrew, Pollet, Reykdal, Riccelli, Roberts, Robinson, Ryu, Santos, Sawyer, Sells, Senn, Springer, Stanford, Stonier, Sullivan, Takko, Tarleton, Tharinger, Van De Wege, Walkinshaw, Wylie and Mr. Speaker.

Voting nay: Representatives Buys, Chandler, Christian, Condotta, Dahlquist, DeBolt, Fagan, G. Hunt, Haler, Hargrove, Harris, Hawkins, Hayes, Holy, Hope, Johnson, Klippert, Kochmar, Kretz, Kristiansen, MacEwen, Magendanz, Manweller, Muri, Nealey, Orcutt, Overstreet, Parker, Pike, Rodne, Ross, Schmick, Scott, Seaquist, Shea, Short, Smith, Taylor, Vick, Walsh, Warnick, Wilcox, Young and Zeiger.

Excused: Representative S. Hunt.

ENGROSSED SUBSTITUTE SENATE BILL NO. 6002, as amended by the House, having received the necessary constitutional majority, was declared passed.

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

There being no objection, the Committee on Rules was relieved of the following bills and the bills were placed on the second reading calendar:

HOUSE BILL NO. 2517
HOUSE BILL NO. 2792
HOUSE BILL NO. 2798
SENATE BILL NO. 6141
SECOND SUBSTITUTE SENATE BILL NO. 6312

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

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There being no objection, the House adjourned until 10:00 a.m., March 5, 2014, the 52nd Day of the Regular Session.

BARBARA BAKER, Chief Clerk

FRANK CHOPP, Speaker

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Introduction & 1st Reading 1

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