E2SHB 2658 - S COMM AMD
By Committee on Ways & Means

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** In 2009, the legislature changed the name of the department of community, trade, and economic development to the department of commerce and directed the agency to, among other things, develop a report with recommendations on statutory changes to ensure that the department's efforts: Are organized around a concise core mission and aligned with the state's comprehensive plan for economic development; generate greater local capacity; maximize results through partnerships and the use of intermediaries; and provide transparency and increased accountability. Recommendations for creating or consolidating programs deemed important to meeting the department's core mission and recommendations for terminating or transferring specific programs if they are not consistent with the department's core mission were to be included in the report.

In accordance with that legislation, chapter 565, Laws of 2009, in November 2009 the department of commerce submitted a plan that establishes a mission of growing and improving jobs in the state and recognizes the need for an innovation-driven economy. The plan also outlines agency priorities, efficiencies, and program transfers that will help to advance the new mission.

The primary purpose of this act is to implement portions of the department of commerce plan by transferring certain programs from the department of commerce to other state agencies whose missions are more closely aligned with the core functions of those programs. This act also directs additional efficiencies in state government and directs development of a statewide clean energy strategy, which will better enable the department of commerce to focus on its new mission.

Sec. 2. RCW 43.330.005 and 1993 c 280 s 1 are each amended to read as follows:

The legislature finds that the long-term economic health of the state and its citizens depends upon the strength and vitality of its communities and businesses. It is the intent of this chapter to create a ((~~merged~~)) department of ((~~community, trade, and economic development~~)) commerce that fosters new partnerships for strong and sustainable communities. ((~~The consolidation of the department of trade and economic development and the department of community development into one department will~~)) The mission of the department is to grow and improve jobs in Washington and facilitate innovation. To carry out its mission, the department will bring together focused efforts to: Streamline access to business assistance and economic development services by providing ((~~a simpler point of entry for state programs~~)) them thorough sector-based, cluster-based, and regional partners; provide focused and flexible responses to changing economic conditions; generate greater local capacity to respond to both economic growth and environmental challenges; ((~~and~~)) increase accountability to the public, the executive branch, and the legislature((~~.~~

~~A new department can bring together a focused effort to:~~)); manage growth and achieve sustainable development; diversify the state's economy and export goods and services; provide greater access to economic opportunity; stimulate private sector investment and entrepreneurship; provide stable family-wage jobs and meet the diverse needs of families; provide affordable housing and housing services; and construct public infrastructure((~~; protect our cultural heritage; and promote the health and safety of the state's citizens~~)).

The legislature further finds that as a result of the rapid pace of global social and economic change, the state and local communities will require coordinated and creative responses by every segment of the community. The state can play a role in assisting such local efforts by reorganizing state assistance efforts to promote such partnerships. The department has a primary responsibility to provide financial and technical assistance to the communities of the state, to assist in improving the delivery of federal, state, and local programs, and to provide communities with opportunities for productive and coordinated development beneficial to the well-being of communities and their residents. It is the intent of the legislature in ((~~this~~

~~consolidation~~)) creating the department to maximize the use of local expertise and resources in the delivery of community and economic development services.

Sec. 3. RCW 43.330.007 and 2009 c 565 s 1 are each amended to read as follows:

(1) The purpose of this chapter is to establish the broad outline of the structure of the department of commerce, leaving specific details of its internal organization and management to those charged with its administration. This chapter identifies the broad functions and responsibilities of the department and is intended to provide flexibility to the director to reorganize these functions to more closely reflect its customers, its mission, and its priorities, and to make recommendations for changes.

(2) In order to generate greater local capacity, maximize results through partnerships and the use of intermediaries, and leverage the use of state resources, the department shall, in carrying out its business assistance and economic development functions, provide business and economic development services primarily through sector-based, cluster-based, and regionally based organizations rather than providing assistance directly to individual firms.

NEW SECTION. **Sec. 4.** The department shall examine the functions and operations of agricultural commodity commissions in the state and collaborate with industry sector and cluster associations on legislation that would enable industries to develop self-financing systems for addressing industry-identified issues such as workforce training, international marketing, quality improvement, and technology deployment. By December 1, 2010, the department shall report to the governor and the legislature on its findings and proposed legislation.

NEW SECTION. **Sec. 5.** (1) The governor may, by executive order, delay the transfer of programs and personnel related to independent youth housing, housing assistance for persons with mental illness, crime victims' advocacy and sexual assault services, community mobilization against substance abuse and violence, and the long-term care ombudsman, and may, by July 15, 2010, direct such personnel and programs to be transferred to an agency or agencies other than the

agency or agencies specified in this act. In making any decision to transfer programs and personnel, the governor shall rely on the recommendations made by the department of commerce pursuant to subsection (2) of this section.

(2) The department of commerce shall facilitate a stakeholder process to develop recommendations on the transfer of programs and personnel relating to the following: Independent youth housing, housing assistance for persons with mental illness, crime victims' advocacy and sexual assault services, community mobilization against substance abuse and violence, and the long-term care ombudsman. The department of commerce shall convene those parties with a direct interest in such programs and the agencies that may be appropriate recipients of the programs. The recommendations shall be delivered to the governor by July 1, 2010.

PART I
DEPARTMENT OF HEALTH--PUBLIC HEALTH

Sec. 101. RCW 70.05.125 and 2009 c 479 s 48 are each amended to read as follows:

(1) The county public health account is created in the state treasury. Funds deposited in the county public health account shall be distributed by the state treasurer to each local public health jurisdiction based upon amounts certified to it by the department of ((~~community, trade, and economic development~~)) health in consultation with the Washington state association of counties. The account shall include funds distributed under RCW 82.14.200(8) and such funds as are appropriated to the account from the state general fund, the public health services account under RCW 43.72.902, and such other funds as the legislature may appropriate to it.

(2)(a) The ((~~director~~)) secretary of the department of ((~~community, trade, and economic development~~)) health shall certify the amounts to be distributed to each local public health jurisdiction using 1995 as the base year of actual city contributions to local public health.

(b) Only if funds are available and in an amount no greater than available funds under RCW 82.14.200(8), the department of community, trade, and economic development shall adjust the amount certified under (a) of this subsection to compensate for any annexation of an area with

fifty thousand residents or more to any city as a result of a petition during calendar year 1996 or 1997, or for any city that became newly incorporated as a result of an election during calendar year 1994 or 1995. The amount to be adjusted shall be equal to the amount which otherwise would have been lost to the health jurisdiction due to the annexation or incorporation as calculated using the jurisdiction's 1995 funding formula.

(c) The county treasurer shall certify the actual 1995 city contribution to the department. Funds in excess of the base shall be distributed proportionately among the health jurisdictions based on incorporated population figures as last determined by the office of financial management.

(3) Moneys distributed under this section shall be expended exclusively for local public health purposes.

NEW SECTION. **Sec. 102.** (1) All powers, duties, and functions of the department of commerce pertaining to county public health assistance are transferred to the department of health. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the secretary or the department of health when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of health. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made available to the department of health. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of health.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of health.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers

and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of health. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of health to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of health. All existing contracts and obligations shall remain in full force and shall be performed by the department of health.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the department of health under this section whose positions are within an existing bargaining unit description at the department of health shall become a part of the existing bargaining unit at the department of health and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

PART II
DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SUBSTANCE ABUSE PROGRAMS

Sec. 201. RCW 43.270.020 and 2001 c 48 s 2 are each amended to read as follows:

(1) There is established in the department of ((~~community, trade, and economic development~~)) social and health services a grant program to provide incentive for and support for communities to develop targeted and coordinated strategies to reduce the incidence and impact of alcohol, tobacco, or other drug abuse, or violence. This program is known as the community mobilization program.

(2) The department ((~~of community, trade, and economic development~~)) shall make awards, subject to funds appropriated by the legislature, under the following terms:

(a) Starting July 1, 2001, funds will be available to countywide programs through a formula developed by the department ((~~of community, trade, and economic development~~)) in consultation with program contractors, which will take into consideration county population size.

(b) In order to be eligible for consideration, applicants must demonstrate, at a minimum:

(i) That the community has developed and is committed to carrying out a coordinated strategy of prevention, treatment, and law enforcement activities;

(ii) That the community has considered research-based theory when developing its strategy;

(iii) That proposals submitted for funding are based on a local assessment of need and address specific objectives contained in a coordinated strategy of prevention, treatment, and law enforcement against alcohol, tobacco, or other drug abuse, or violence;

(iv) Evidence of active participation in preparation of the proposal and specific commitments to implementing the community-wide agenda by leadership from education, law enforcement, local government, tribal government, and treatment entities in the community, and the opportunity for meaningful involvement from others such as neighborhood and citizen groups, businesses, human service, health and job training organizations, and other key elements of the community, particularly those whose responsibilities in law enforcement, treatment, prevention, education, or other community efforts provide direct, ongoing contact with substance abusers or those who exhibit violent behavior, or those at risk for alcohol, tobacco, or other drug abuse, or violent behavior;

(v) Evidence of additional local resources committed to the applicant's strategy totaling at least twenty-five percent of funds awarded under this section. These resources may consist of public or

private funds, donated goods or services, and other measurable commitments, including in-kind contributions such as volunteer services, materials, supplies, physical facilities, or a combination thereof; and

(vi) That the funds applied for, if received, will not be used to replace funding for existing activities.

(c) At a minimum, grant applications must include the following:

(i) A definition of geographic area;

(ii) A needs assessment describing the extent and impact of alcohol, tobacco, or other drug abuse, and violence in the community, including an explanation of those who are most severely impacted and those most at risk of substance abuse or violent behavior;

(iii) An explanation of the community-wide strategy for prevention, treatment, and law enforcement activities related to alcohol, tobacco, or other drug abuse, or violence, with particular attention to those who are most severely impacted and/or those most at risk of alcohol, tobacco, or other drug abuse, or violent behavior;

(iv) An explanation of who was involved in development of the strategy and what specific commitments have been made to carry it out;

(v) Identification of existing prevention, education, treatment, and law enforcement resources committed by the applicant, including financial and other support, and an explanation of how the applicant's strategy involves and builds on the efforts of existing organizations or coalitions that have been carrying out community efforts against alcohol, tobacco, or other drug abuse, or violence;

(vi) Identification of activities that address specific objectives in the strategy for which additional resources are needed;

(vii) Identification of additional local resources, including public or private funds, donated goods or services, and other measurable commitments, that have been committed to the activities identified in (c)(vi) of this subsection;

(viii) Identification of activities that address specific objectives in the strategy for which funding is requested;

(ix) For each activity for which funding is requested, an explanation in sufficient detail to demonstrate:

(A) Feasibility through deliberative design, specific objectives, and a realistic plan for implementation;

(B) A rationale for how this activity will achieve measurable results and how it will be evaluated;

(C) That funds requested are necessary and appropriate to effectively carry out the activity; and

(x) Identification of a contracting agent meeting state requirements for each activity proposed for funding.

Each contracting agent must execute a written agreement with its local community mobilization advisory board that reflects the duties and powers of each party.

(3) Activities that may be funded through this grant program include those that:

(a) Prevent alcohol, tobacco, or other drug abuse, or violence through educational efforts, development of positive alternatives, intervention with high-risk groups, and other prevention strategies;

(b) Support effective treatment by increasing access to and availability of treatment opportunities, particularly for underserved or highly impacted populations, developing aftercare and support mechanisms, and other strategies to increase the availability and effectiveness of treatment;

(c) Provide meaningful consequences for participation in illegal activity and promote safe and healthy communities through support of law enforcement strategies;

(d) Create or build on efforts by existing community programs, coordinate their efforts, and develop cooperative efforts or other initiatives to make most effective use of resources to carry out the community's strategy against alcohol, tobacco, or other drug abuse, or violence; and

(e) Other activities that demonstrate both feasibility and a rationale for how the activity will achieve measurable results in the strategy against alcohol, tobacco, or other drug abuse, or violence.

Sec. 202. RCW 43.270.070 and 2001 c 48 s 3 are each amended to read as follows:

The department of ((~~community, trade, and economic development~~)) social and health services shall ask communities for suggestions on state practices, policies, and priorities that would help communities implement their strategies against alcohol, tobacco, or other drug abuse, or violence. The department of ((~~community, trade, and economic~~

~~development~~)) social and health services shall review and respond to those suggestions making necessary changes where feasible, making recommendations to the legislature where appropriate, and providing an explanation as to why suggested changes cannot be accomplished, if the suggestions cannot be acted upon.

Sec. 203. RCW 43.270.080 and 2001 c 48 s 4 are each amended to read as follows:

The department of ((~~community, trade, and economic development~~)) social and health services may receive such gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of RCW 43.270.010 through 43.270.080 and expend the same or any income therefrom according to the terms of the gifts, grants, or endowments.

NEW SECTION. **Sec. 204.** (1) All powers, duties, and functions of the department of commerce pertaining to the community mobilization against substance abuse program are transferred to the department of social and health services. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the secretary or the department of social and health services when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of social and health services. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made available to the department of social and health services. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of social and health services.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of social and health services.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of social and health services. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of social and health services to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of social and health services. All existing contracts and obligations shall remain in full force and shall be performed by the department of social and health services.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the department of social and health services under this section whose positions are within an existing bargaining unit description at the department of social and health services shall become a part of the existing bargaining unit at the department of social and health services and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

PART III
DEPARTMENT OF HEALTH--DEVELOPMENTAL DISABILITIES

Sec. 301. RCW 43.330.210 and 2009 c 565 s 11 are each amended to read as follows:

The developmental disabilities endowment governing board is established to design and administer the developmental disabilities endowment. To the extent funds are appropriated for this purpose, the director of the department ((~~of commerce~~)) shall provide staff and administrative support to the governing board.

(1) The governing board shall consist of seven members as follows:

(a) Three of the members, who shall be appointed by the governor, shall be persons who have demonstrated expertise and leadership in areas such as finance, actuarial science, management, business, or public policy.

(b) Three members of the board, who shall be appointed by the governor, shall be persons who have demonstrated expertise and leadership in areas such as business, developmental disabilities service design, management, or public policy, and shall be family members of persons with developmental disabilities.

(c) The seventh member of the board, who shall serve as chair of the board, shall be appointed by the remaining six members of the board.

(2) Members of the board shall serve terms of four years and may be appointed for successive terms of four years at the discretion of the appointing authority. However, the governor may stagger the terms of the initial six members of the board so that approximately one-fourth of the members' terms expire each year.

(3) Members of the board shall be compensated for their service under RCW 43.03.240 and shall be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060.

(4) The board shall meet periodically as specified by the call of the chair, or a majority of the board.

(5) Members of the governing board and the state investment board shall not be considered an insurer of the funds or assets of the endowment trust fund or the individual trust accounts. Neither of these two boards or their members shall be liable for the action or inaction of the other.

(6) Members of the governing board and the state investment board are not liable to the state, to the fund, or to any other person as a result of their activities as members, whether ministerial or discretionary, except for willful dishonesty or intentional violations of law. The department and the state investment board, respectively, may purchase liability insurance for members.

Sec. 302. RCW 43.330.240 and 2009 c 565 s 12 are each amended to read as follows:

The department ((~~of commerce~~)) shall adopt rules for the implementation of policies established by the governing board in RCW 43.330.200 through 43.330.230 (as recodified by this act). Such rules will be consistent with those statutes and chapter 34.05 RCW.

NEW SECTION. **Sec. 303.** The following sections are each recodified as sections in chapter 43.70 RCW:

RCW 43.330.195
RCW 43.330.200
RCW 43.330.205
RCW 43.330.210
RCW 43.330.220
RCW 43.330.225
RCW 43.330.230
RCW 43.330.240

NEW SECTION. **Sec. 304.** (1) All powers, duties, and functions of the department of commerce pertaining to the developmental disabilities endowment are transferred to the department of health. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the secretary or the department of health when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of health. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made

available to the department of health. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of health.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of health.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of health. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of health to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of health. All existing contracts and obligations shall remain in full force and shall be performed by the department of health.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the department of health under this section whose positions are within an existing bargaining unit description at the department of

health shall become a part of the existing bargaining unit at the department of health and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

PART IV
DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL NEEDS HOUSING ASSISTANCE

Sec. 401. RCW 82.14.400 and 2000 c 240 s 1 are each amended to read as follows:

(1) Upon the joint request of a metropolitan park district, a city with a population of more than one hundred fifty thousand, and a county legislative authority in a county with a national park and a population of more than five hundred thousand and less than one million five hundred thousand, the county shall submit an authorizing proposition to the county voters, fixing and imposing a sales and use tax in accordance with this chapter for the purposes designated in subsection (4) of this section and identified in the joint request. Such proposition must be placed on a ballot for a special or general election to be held no later than one year after the date of the joint request.

(2) The proposition is approved if it receives the votes of a majority of those voting on the proposition.

(3) The tax authorized in this section is in addition to any other taxes authorized by law and shall be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county. The rate of tax shall equal no more than one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(4) Moneys received from any tax imposed under this section shall be used solely for the purpose of providing funds for:

(a) Costs associated with financing, design, acquisition, construction, equipping, operating, maintaining, remodeling, repairing, reequipping, or improvement of zoo, aquarium, and wildlife preservation and display facilities that are currently accredited by the American zoo and aquarium association; or

(b) Those costs associated with (a) of this subsection and costs related to parks located within a county described in subsection (1) of this section.

(5) The department of revenue shall perform the collection of such taxes on behalf of the county at no cost to the county. In lieu of the charge for the administration and collection of local sales and use taxes under RCW 82.14.050 from which the county is exempt under this subsection (5), a percentage of the tax revenues authorized by this section equal to one-half of the maximum percentage provided in RCW 82.14.050 shall be transferred annually to the department of ((~~community, trade, and economic development, or its successor agency,~~)) social and health services from the funds allocated under subsection (6)(b) of this section for a period of twelve years from the first date of distribution of funds under subsection (6)(b) of this section. The department of ((~~community, trade, and economic development, or its successor agency,~~)) social and health services shall use funds transferred to it pursuant to this subsection (5) to provide, operate, and maintain community-based housing ((~~under chapter 43.185 RCW~~)) for persons who are mentally ill.

(6) If the joint request and the authorizing proposition include provisions for funding those costs included within subsection (4)(b) of this section, the tax revenues authorized by this section shall be allocated annually as follows:

(a) Fifty percent to the zoo and aquarium advisory authority; and

(b) Fifty percent to be distributed on a per capita basis as set out in the most recent population figures for unincorporated and incorporated areas only within that county, as determined by the office of financial management, solely for parks, as follows: To any metropolitan park district, to cities and towns not contained within a metropolitan park district, and the remainder to the county. Moneys received under this subsection (6)(b) by a county may not be used to replace or supplant existing per capita funding.

(7) Funds shall be distributed annually by the county treasurer to the county, and cities and towns located within the county, in the manner set out in subsection (6)(b) of this section.

(8) Prior to expenditure of any funds received by the county under subsection (6)(b) of this section, the county shall establish a process

which considers needs throughout the unincorporated areas of the county in consultation with community advisory councils established by ordinance.

(9) By December 31, 2005, and thereafter, the county or any city with a population greater than eighty thousand must provide at least one dollar match for every two dollars received under this section.

(10) Properties subject to a memorandum of agreement between the federal bureau of land management, the advisory council on historic preservation, and the Washington state historic preservation officer have priority for funding from money received under subsection (6)(b) of this section for implementation of the stipulations in the memorandum of agreement.

(a) At least one hundred thousand dollars of the first four years of allocations under subsection (6)(b) of this section, to be matched by the county or city with one dollar for every two dollars received, shall be used to implement the stipulations of the memorandum of agreement and for other historical, archaeological, architectural, and cultural preservation and improvements related to the properties.

(b) The amount in (a) of this subsection shall come equally from the allocations to the county and to the city in which the properties are located, unless otherwise agreed to by the county and the city.

(c) The amount in (a) of this subsection shall not be construed to displace or be offered in lieu of any lease payment from a county or city to the state for the properties in question.

NEW SECTION. **Sec. 402.** (1) Powers, duties, and functions of the department of commerce pertaining to housing assistance for persons with mental illness, that are transferred in this act, are transferred to the department of social and health services. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the secretary or the department of social and health services when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of social and health services. All cabinets, furniture, office equipment, motor

vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made available to the department of social and health services. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of social and health services.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of social and health services.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of social and health services. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of social and health services to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of social and health services. All existing contracts and obligations shall remain in full force and shall be performed by the department of social and health services.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected,

the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the department of social and health services under this section whose positions are within an existing bargaining unit description at the department of social and health services shall become a part of the existing bargaining unit at the department of social and health services and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

Sec. 403. RCW 43.63A.305 and 2009 c 148 s 1 are each amended to read as follows:

(1) The independent youth housing program is created in the department to provide housing stipends to eligible youth to be used for independent housing. In developing a plan for the design, implementation, and operation of the independent youth housing program, the department shall:

(a) Adopt policies, requirements, and procedures necessary to administer the program;

(b) Contract with one or more eligible organizations ((~~described~~)) <u>listed</u> under RCW 43.185A.040 to provide services and conduct administrative activities as described in subsection (3) of this section;

(c) Establish eligibility criteria for youth to participate in the independent youth housing program, giving priority to youth who have been dependents of the state for at least one year;

(d) Refer interested youth to the designated subcontractor organization administering the program in the area in which the youth intends to reside;

(e) Develop a method for determining the amount of the housing stipend, first and last month's rent, and security deposit, where applicable, to be dedicated to participating youth. The method for determining a housing stipend must take into account a youth's age, the youth's total income from all sources, the fair market rent for the area in which the youth lives or intends to live, and a variety of possible living situations for the youth. The amount of housing

stipends must be adjusted, by a method and formula established by the department, to promote the successful transition for youth to complete housing self-sufficiency over time;

(f) Ensure that the independent youth housing program is integrated and aligned with other state rental assistance and case management programs operated by the department of commerce, as well as case management and supportive services programs, including the independent living program, the transitional living program, and other related programs offered by the department ((~~of social and health services~~)); and

(g) Consult with ((~~the department of social and health services and other~~)) stakeholders involved with dependent youth, homeless youth, and homeless young adults, as appropriate.

(2) The department ((~~of social and health services~~)) shall collaborate with the department of commerce in implementing and operating the independent youth housing program including, but not limited to, the following:

(a) Refer potential eligible youth to the department before the youth's eighteenth birthday, if feasible, to include an indication, if known, of where the youth plans to reside after aging out of foster care;

(b) Provide information to all youth aged fifteen or older, who are dependents of the state under chapter 13.34 RCW, about the independent youth housing program, encouraging dependents nearing their eighteenth birthday to consider applying for enrollment in the program;

(c) Encourage organizations participating in the independent living program and the transitional living program to collaborate with independent youth housing program providers whenever possible to capitalize on resources and provide the greatest amount and variety of services to eligible youth;

(d) Annually provide to the department of commerce data reflecting changes in the percentage of youth aging out of the state dependency system each year who are eligible for state assistance, as well as any other data and performance measures that may assist the department of commerce to measure program success; and

(e) Annually, beginning by December 31, 2007, provide to the appropriate committees of the legislature and the interagency council

on homelessness as described under RCW 43.185C.170 recommendations of strategies to reach the goals described in RCW 43.63A.311(2)(g) (as recodified by this act).

(3) Under the independent youth housing program, subcontractor organizations shall:

(a) Use moneys awarded to the organizations for housing stipends, security deposits, first and last month's rent stipends, case management program costs, and administrative costs. When subcontractor organizations determine that it is necessary to assist participating youth in accessing and maintaining independent housing, subcontractor organizations may also use moneys awarded to pay for professional mental health services and tuition costs for court-ordered classes and programs;

(i) Administrative costs for each subcontractor organization may not exceed twelve percent of the estimated total annual grant amount to the subcontractor organization;

(ii) All housing stipends, security deposits, and first and last month's rent stipends must be payable only to a landlord or housing manager of any type of independent housing;

(b) Enroll eligible youth who are referred by the department and who choose to reside in their assigned service area;

(c) Enter eligible youth program participants into the homeless client management information system as described in RCW 43.185C.180;

(d) Monitor participating youth's housing status;

(e) Evaluate participating youth's eligibility and compliance with department policies and procedures at least twice a year;

(f) Assist participating youth to develop or update an independent living plan focused on obtaining and retaining independent housing or collaborate with a case manager with whom the youth is already involved to ensure that the youth has an independent living plan;

(g) Educate participating youth on tenant rights and responsibilities;

(h) Provide support to participating youth in the form of general case management and information and referral services, when necessary, or collaborate with a case manager with whom the youth is already involved to ensure that the youth is receiving the case management and information and referral services needed;

(i) Connect participating youth, when possible, with individual development account programs, other financial literacy programs, and other programs that are designed to help young people acquire economic independence and self-sufficiency, or collaborate with a case manager with whom the youth is already involved to ensure that the youth is receiving information and referrals to these programs, when appropriate;

(j) Submit expenditure and performance reports, including information related to the performance measures in RCW 43.63A.311 (as recodified by this act), to the department on a time schedule determined by the department; and

(k) Provide recommendations to the department regarding program improvements and strategies that might assist the state to reach its goals as described in RCW 43.63A.311(2)(g) (as recodified by this act).

Sec. 404. RCW 43.63A.307 and 2009 c 148 s 2 are each amended to read as follows:

The definitions in this section apply throughout ((~~this chapter~~)) RCW 43.63A.305 through 43.63A.315 (as recodified by this act) unless the context clearly requires otherwise.

(1) ((~~"Department" means the department of community, trade, and economic development.~~

~~(2)~~)) "Eligible youth" means an individual who:

(a) On or after September 1, 2006, is at least eighteen, was a dependent of the state under chapter 13.34 RCW at any time during the four-month period before his or her eighteenth birthday, and has not yet reached the age of twenty-three;

(b) Except as provided in RCW 43.63A.309(2)(a) (as recodified by this act), has a total income from all sources, except for temporary sources that include, but are not limited to, overtime wages, bonuses, or short-term temporary assignments, that does not exceed fifty percent of the area median income;

(c) Is not receiving services under RCW 74.13.031(10)(b);

(d) Complies with other eligibility requirements the department may establish.

((~~(3)~~)) (2) "Fair market rent" means the fair market rent in each county of the state, as determined by the United States department of housing and urban development.

((~~(4)~~)) (3) "Independent housing" means a housing unit that is not owned by or located within the home of the eligible youth's biological parents or any of the eligible youth's former foster care families or dependency guardians. "Independent housing" may include a unit in a transitional or other supportive housing facility.

((~~(5)~~)) (4) "Individual development account" or "account" means an account established by contract between a low-income individual and a sponsoring organization for the benefit of the low-income individual and funded through periodic contributions by the low-income individual that are matched with contributions by or through the sponsoring organization.

((~~(6)~~)) (5) "Subcontractor organization" means an eligible organization described under RCW 43.185A.040 that contracts with the department to administer the independent youth housing program.

Sec. 405. RCW 43.63A.311 and 2007 c 316 s 5 are each amended to read as follows:

Beginning in 2007, the department must annually review and report on the performance of subcontractor organizations participating in the independent youth housing program, as well as the performance of the program as a whole.

(1) Reporting should be within the context of the state homeless housing strategic plan under RCW 43.185C.040 and any other relevant state or local homeless or affordable housing plans. The outcomes of the independent youth housing program must be included in the measurement of any performance measures described in chapter 43.185C RCW.

(2) The independent youth housing program report must include, at a minimum, an update on the following program performance measures, as well as any other performance measures the department may establish, for enrolled youth ((~~in consultation with the department of social and health services~~)), to be measured statewide and by county:

(a) Increases in housing stability;

(b) Increases in economic self-sufficiency;

(c) Increases in independent living skills;

(d) Increases in education and job training attainment;

(e) Decreases in the use of all state-funded services over time;

(f) Decreases in the percentage of youth aging out of the state dependency system each year who are eligible for state assistance ((~~as reported to the department by the department of social and health services~~)); and

(g) Recommendations to the legislature and to the interagency council on homelessness as described under RCW 43.185C.170 on program improvements and on departmental strategies that might assist the state to reach its goals of:

(i) Ensuring that all youth aging out of the state dependency system have access to a decent, appropriate, and affordable home in a healthy safe environment to prevent such youth from experiencing homelessness; and

(ii) Reducing each year the percentage of young people eligible for state assistance upon aging out of the state dependency system.

Sec. 406. RCW 43.63A.313 and 2007 c 316 s 6 are each amended to read as follows:

Chapter 316, Laws of 2007 does not create:

(1) An entitlement to services;

(2) Judicial authority to (a) extend the jurisdiction of juvenile court in a proceeding under chapter 13.34 RCW to a youth who has reached the age of eighteen or (b) order the provision of services to the youth; or

(3) A private right of action or claim on the part of any individual, entity, or agency against the department((~~, the department of social and health services,~~)) or any contractor of the department((~~s~~)).

NEW SECTION. **Sec. 407.** The following sections are each recodified as sections in chapter 43.20A RCW:

RCW 43.63A.305

RCW 43.63A.307

RCW 43.63A.309

RCW 43.63A.311

RCW 43.63A.313

RCW 43.63A.315

NEW SECTION. **Sec. 408.** (1) All powers, duties, and functions of the department of commerce pertaining to the independent youth housing program are transferred to the department of social and health services. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the secretary or the department of social and health services when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of social and health services. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made available to the department of social and health services. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of social and health services.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of social and health services.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of social and health services. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of social and health services to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of social and health services. All existing contracts and obligations shall remain in full force and shall be performed by the department of social and health services.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the department of social and health services under this section whose positions are within an existing bargaining unit description at the department of social and health services shall become a part of the existing bargaining unit at the department of social and health services and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

PART V
DEPARTMENT OF LABOR AND INDUSTRIES--CRIME VICTIMS' PROGRAMS

Sec. 501. RCW 9.94A.8673 and 2008 c 249 s 3 are each amended to read as follows:

(1) The sex offender policy board shall consist of thirteen voting members. Unless the member is specifically named in this section, the following organizations shall designate a person to sit on the board.

(a) The Washington association of sheriffs and police chiefs;

(b) The Washington association of prosecuting attorneys;

(c) The Washington association of criminal defense lawyers;

(d) The chair of the indeterminate sentence review board or his or her designee;

(e) The Washington association for the treatment of sex abusers;

(f) The secretary of the department of corrections or his or her designee;

(g) The Washington state superior court judge's association;

(h) The assistant secretary of the juvenile rehabilitation administration or his or her designee;

(i) The office of crime victims advocacy in the department of ((~~community, trade, and economic development~~)) labor and industries;

(j) The Washington state association of counties;

(k) The association of Washington cities;

(l) The Washington association of sexual assault programs; and

(m) The director of the special commitment center or his or her designee.

(2) The person so named in subsection (1) of this section has the authority to make decisions on behalf of the organization he or she represents.

(3) The nonvoting membership shall consist of the following:

(a) Two members of the sentencing guidelines commission chosen by the chair of the commission; and

(b) A representative of the criminal justice division in the attorney general's office.

(4) The board shall choose its chair by majority vote from among its voting membership. The chair's term shall be two years.

(5) The chair of the sentencing guidelines commission shall convene the first meeting.

(6) The Washington institute for public policy shall act as an advisor to the board.

Sec. 502. RCW 43.63A.720 and 1995 c 353 s 7 are each amended to read as follows:

There is established in the department ((~~of community, trade, and economic development~~)) a grant program to enhance funding for prostitution prevention and intervention services. Activities that can be funded through this grant program shall provide effective prostitution prevention and intervention services, such as counseling, parenting, housing relief, education, and vocational training, that:

(1) Comprehensively address the problems of persons who are prostitutes; and

(2) Enhance the ability of persons to leave or avoid prostitution.

Sec. 503. RCW 43.63A.735 and 1995 c 353 s 10 are each amended to read as follows:

(1) Subject to funds appropriated by the legislature, including funds in the prostitution prevention and intervention account, the department ((~~of community, trade, and economic development~~)) shall make awards under the grant program established by RCW 43.63A.720 (as recodified by this act).

(2) Awards shall be made competitively based on the purposes of and criteria in RCW 43.63A.720 through 43.63A.730 (as recodified by this act).

(3) Activities funded under this section may be considered for funding in future years, but shall be considered under the same terms and criteria as new activities. Funding of a program or activity under this chapter shall not constitute an obligation by the state of Washington to provide ongoing funding.

(4) The department ((~~of — community, — trade, — and — economic development~~)) may receive such gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of the grant program established under RCW 43.63A.720 (as recodified by this act) and expend the same or any income from these sources according to the terms of the gifts, grants, or endowments.

(5) The department ((~~of — community, — trade, — and — economic development~~)) may expend up to five percent of the funds appropriated for the grant program for administrative costs and grant supervision.

Sec. 504. RCW 43.280.011 and 1996 c 123 s 1 are each amended to read as follows:

The Washington state sexual assault services advisory committee issued a report to the department of community, trade, and economic development and the department of social and health services in June of 1995. The committee made several recommendations to improve the delivery of services to victims of sexual abuse and assault: (1) Consolidate the administration and funding of sexual assault and abuse services in one agency instead of splitting those functions between the department of social and health services and the department of community, trade, and economic development; (2) adopt a funding allocation plan to pool all funds for sexual assault services and to

distribute them across the state to ensure the delivery of core and specialized services; (3) establish service, data collection, and management standards and outcome measurements for recipients of grants; and (4) create a data collection system to gather pertinent data concerning the delivery of sexual assault services to victims.

The legislature approves the recommendations of the advisory committee and consolidates the functions and funding for sexual assault services in the department of ((~~community, trade, and economic development~~)) labor and industries to implement the advisory committee's recommendations.

((~~The legislature does not intend to effect a reduction in service levels within available funding by transferring department of social and health services' powers and duties to the department of community, trade, and economic development.~~)) At a minimum, the department of ((~~community, trade, and economic development~~)) social and health services shall distribute the same percentage of the services it provides victims of sexual assault and abuse, pursuant to RCW 43.280.020, 70.125.080, and 74.14B.060, to children as were distributed to children through these programs in fiscal year 1996.

Sec. 505. RCW 43.280.020 and 1996 c 123 s 3 are each amended to read as follows:

There is established in the department of ((~~community, trade, and economic development~~)) labor and industries a grant program to enhance the funding for treating the victims of sex offenders. Activities that can be funded through this grant program are limited to those that:

(1) Provide effective treatment to victims of sex offenders;

(2) Increase access to and availability of treatment for victims of sex offenders, particularly if from underserved populations; and

(3) Create or build on efforts by existing community programs, coordinate those efforts, or develop cooperative efforts or other initiatives to make the most effective use of resources to provide treatment services to these victims.

Funding shall be given to those applicants that emphasize providing stable, victim-focused sexual abuse services and possess the qualifications to provide core services, as defined in RCW 70.125.030. Funds for specialized services, as defined in RCW 70.125.030, shall be

disbursed through the request for proposal or request for qualifications process.

Sec. 506. RCW 43.280.060 and 1996 c 123 s 5 are each amended to read as follows:

(1) Subject to funds appropriated by the legislature, the department of ((~~community, trade, and economic development~~)) labor and industries shall make awards under the grant program established by RCW 43.280.020.

(2) To aid the department of ((~~community, trade, and economic development~~)) labor and industries in making its funding determinations, the department shall form a peer review committee comprised of individuals who are knowledgeable or experienced in the management or delivery of treatment services to victims of sex offenders. The peer review committee shall advise the department on the extent to which each eligible applicant meets the treatment and management standards, as developed by the department. The department shall consider this advice in making awards.

(3) Activities funded under this section may be considered for funding in future years, but shall be considered under the same terms and criteria as new activities. Funding under this chapter shall not constitute an obligation by the state of Washington to provide ongoing funding.

Sec. 507. RCW 43.280.070 and 1995 c 399 s 115 are each amended to read as follows:

The department of ((~~community, trade, and economic development~~)) labor and industries may receive such gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of this chapter and expend the same or any income therefrom according to the terms of the gifts, grants, or endowments.

Sec. 508. RCW 43.280.080 and 1995 c 241 s 1 are each amended to read as follows:

The office of crime victims advocacy is established in the department of ((~~community, trade, and economic development~~)) labor and industries. The office shall assist communities in planning and

implementing services for crime victims, advocate on behalf of crime victims in obtaining needed services and resources, and advise local and state governments on practices, policies, and priorities that impact crime victims. In addition, the office shall administer grant programs for sexual assault treatment and prevention services, as authorized in this chapter.

Sec. 509. RCW 43.280.090 and 1995 c 269 s 2102 are each amended to read as follows:

The director of the department of ((~~community, trade, and economic development~~)) labor and industries may establish ad hoc advisory committees, as necessary, to obtain advice and guidance regarding the office of crime victims advocacy program.

Sec. 510. RCW 70.125.030 and 2009 c 565 s 50 are each reenacted and amended to read as follows:

As used in this chapter and unless the context indicates otherwise:

(1) "Community sexual assault program" means a community-based social service agency that is qualified to provide and provides core services to victims of sexual assault.

(2) "Core services" means treatment services for victims of sexual assault including information and referral, crisis intervention, medical advocacy, legal advocacy, support, system coordination, and prevention for potential victims of sexual assault.

(3) "Department" means the department of ((~~commerce~~)) labor and industries.

(4) "Law enforcement agencies" means police and sheriff's departments of this state.

(5) "Personal representative" means a friend, relative, attorney, or employee or volunteer from a community sexual assault program or specialized treatment service provider.

(6) "Rape crisis center" means a community-based social service agency which provides services to victims of sexual assault.

(7) "Sexual assault" means one or more of the following:

(a) Rape or rape of a child;

(b) Assault with intent to commit rape or rape of a child;

(c) Incest or indecent liberties;

(d) Child molestation;

(e) Sexual misconduct with a minor;

(f) Custodial sexual misconduct;

(g) Crimes with a sexual motivation; or

(h) An attempt to commit any of the aforementioned offenses.

(8) "Specialized services" means treatment services for victims of sexual assault including support groups, therapy, and specialized sexual assault medical examination.

(9) "Victim" means any person who suffers physical and/or mental anguish as a proximate result of a sexual assault.

Sec. 511. RCW 74.14B.060 and 1996 c 123 s 8 are each amended to read as follows:

(1) Treatment services for children who have been sexually assaulted must be designed and delivered in a manner that accommodates their unique developmental needs and also considers the impact of family dynamics on treatment issues. In addition, the complexity of the civil and criminal justice systems requires that children who are involved receive appropriate consideration and attention that recognizes their unique vulnerability in a system designed primarily for adults.

(2) The department of ((~~community, trade, and economic development~~)) labor and industries shall provide, subject to available funds, comprehensive sexual assault services to sexually abused children and their families. The department shall provide treatment services by qualified, registered, certified, or licensed professionals on a one-to-one or group basis as may be deemed appropriate.

(3) Funds appropriated under this section shall be provided solely for contracts or direct purchase of specific treatment services from community organizations and private service providers for child victims of sexual assault and sexual abuse. Funds shall be disbursed through the request for proposal or request for qualifications process.

(4) As part of the request for proposal or request for qualifications process the department of ((~~community, trade, and economic development~~)) labor and industries shall ensure that there be no duplication of services with existing programs including the crime victims' compensation program as provided in chapter 7.68 RCW. The department shall also ensure that victims exhaust private insurance

benefits available to the child victim before providing services to the child victim under this section.

NEW SECTION. **Sec. 512.** The following sections are each recodified as sections in chapter 43.22 RCW:

RCW 43.63A.720

RCW 43.63A.725

RCW 43.63A.730

RCW 43.63A.735

RCW 43.63A.740

NEW SECTION. **Sec. 513.** (1) All powers, duties, and functions of the department of commerce pertaining to the office of crime victims advocacy are transferred to the department of labor and industries. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the director or the department of labor and industries when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of labor and industries. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made available to the department of labor and industries. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of labor and industries.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of labor and industries.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the

director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of labor and industries. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of labor and industries to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of labor and industries. All existing contracts and obligations shall remain in full force and shall be performed by the department of labor and industries.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the department of labor and industries under this section whose positions are within an existing bargaining unit description at the department of labor and industries shall become a part of the existing bargaining unit at the department of labor and industries and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

NEW SECTION. **Sec. 514.** RCW 43.280.081 is decodified.

PART VI
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION--ENERGY

Sec. 601. RCW 80.50.030 and 2001 c 214 s 4 are each amended to read as follows:

(1) There is created and established the energy facility site evaluation council.

(2)(a) The chair of the council shall be appointed by the governor with the advice and consent of the senate, shall have a vote on matters before the council, shall serve for a term coextensive with the term of the governor, and is removable for cause. The chair may designate a member of the council to serve as acting chair in the event of the chair's absence. The salary of the chair shall be determined under RCW 43.03.040. The chair is a "state employee" for the purposes of chapter 42.52 RCW. As applicable, when attending meetings of the council, members may receive reimbursement for travel expenses in accordance with RCW 43.03.050 and 43.03.060, and are eligible for compensation under RCW 43.03.250.

(b) The chair or a designee shall execute all official documents, contracts, and other materials on behalf of the council. The Washington ((~~state department of community, trade, and economic development~~)) utilities and transportation commission shall provide all administrative and staff support for the council. The ((~~director of the department of community, trade, and economic development~~)) commission has supervisory authority over the staff of the council and shall employ such personnel as are necessary to implement this chapter. Not more than three such employees may be exempt from chapter 41.06 RCW.

(3)(a) The council shall consist of the directors, administrators, or their designees, of the following departments, agencies, commissions, and committees or their statutory successors:

(i) Department of ecology;

(ii) Department of fish and wildlife;

(iii) Department of ((~~community, trade, and economic development~~)) commerce;

(iv) Utilities and transportation commission; and

(v) Department of natural resources.

(b) The directors, administrators, or their designees, of the following departments, agencies, and commissions, or their statutory successors, may participate as councilmembers at their own discretion

provided they elect to participate no later than sixty days after an application is filed:

(i) Department of agriculture;

(ii) Department of health;

(iii) Military department; and

(iv) Department of transportation.

(c) Council membership is discretionary for agencies that choose to participate under (b) of this subsection only for applications that are filed with the council on or after May 8, 2001. For applications filed before May 8, 2001, council membership is mandatory for those agencies listed in (b) of this subsection.

(4)(a) The appropriate county legislative authority of every county wherein an application for a proposed site is filed shall appoint a member or designee as a voting member to the council. The member or designee so appointed shall sit with the council only at such times as the council considers the proposed site for the county which he or she represents, and such member or designee shall serve until there has been a final acceptance or rejection of the proposed site.

(b) The council shall otherwise retain its independence in exercising its powers, functions, and duties and its supervisory control over nonadministrative staff support. Membership, powers, functions, and duties of the Washington state utilities and transportation commission and the council shall otherwise remain as provided by law.

(5) The city legislative authority of every city within whose corporate limits an energy plant is proposed to be located shall appoint a member or designee as a voting member to the council. The member or designee so appointed shall sit with the council only at such times as the council considers the proposed site for the city which he or she represents, and such member or designee shall serve until there has been a final acceptance or rejection of the proposed site.

(6) For any port district wherein an application for a proposed port facility is filed subject to this chapter, the port district shall appoint a member or designee as a nonvoting member to the council. The member or designee so appointed shall sit with the council only at such times as the council considers the proposed site for the port district which he or she represents, and such member or designee shall serve until there has been a final acceptance or rejection of the proposed

site. The provisions of this subsection shall not apply if the port district is the applicant, either singly or in partnership or association with any other person.

NEW SECTION. **Sec. 602.** (1) All administrative powers, duties, and functions of the department of commerce pertaining to the energy facility site evaluation council are transferred to the Washington utilities and transportation commission. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the chair or the Washington utilities and transportation commission when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the Washington utilities and transportation commission. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made available to the Washington utilities and transportation commission. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the Washington utilities and transportation commission.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the Washington utilities and transportation commission.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the Washington utilities and transportation commission. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the Washington

utilities and transportation commission to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the Washington utilities and transportation commission. All existing contracts and obligations shall remain in full force and shall be performed by the Washington utilities and transportation commission.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the Washington utilities and transportation commission under this section whose positions are within an existing bargaining unit description at the Washington utilities and transportation commission shall become a part of the existing bargaining unit at the Washington utilities and transportation commission and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

PART VII
OFFICE OF FINANCIAL MANAGEMENT--LONG-TERM CARE OMBUDSMAN

Sec. 701. RCW 43.190.030 and 1997 c 194 s 1 are each amended to read as follows:

There is created the office of the state long-term care ombudsman. The ((~~department of community, trade, and economic development~~)) office of financial management shall contract with a private nonprofit organization to provide long-term care ombudsman services as specified under, and consistent with, the federal older Americans act as amended,

federal mandates, the goals of the state, and the needs of its citizens. The ((~~department of community, trade, and economic development~~)) office of financial management shall ensure that all program and staff support necessary to enable the ombudsman to effectively protect the interests of residents, patients, and clients of all long-term care facilities is provided by the nonprofit organization that contracts to provide long-term care ombudsman services. The ((~~department of community, trade, and economic development~~)) office of financial management shall adopt rules to carry out this chapter and the long-term care ombudsman provisions of the federal older Americans act, as amended, and applicable federal regulations. The long-term care ombudsman program shall have the following powers and duties:

(1) To provide services for coordinating the activities of long-term care ombudsmen throughout the state;

(2) Carry out such other activities as the ((~~department of community, trade, and economic development~~)) office of financial management deems appropriate;

(3) Establish procedures consistent with RCW 43.190.110 for appropriate access by long-term care ombudsmen to long-term care facilities and patients' records, including procedures to protect the confidentiality of the records and ensure that the identity of any complainant or resident will not be disclosed without the written consent of the complainant or resident, or upon court order;

(4) Establish a statewide uniform reporting system to collect and analyze data relating to complaints and conditions in long-term care facilities for the purpose of identifying and resolving significant problems, with provision for submission of such data to the department of social and health services and to the federal department of health and human services, or its successor agency, on a regular basis; and

(5) Establish procedures to assure that any files maintained by ombudsman programs shall be disclosed only at the discretion of the ombudsman having authority over the disposition of such files, except that the identity of any complainant or resident of a long-term care facility shall not be disclosed by such ombudsman unless:

(a) Such complainant or resident, or the complainant's or resident's legal representative, consents in writing to such disclosure; or

(b) Such disclosure is required by court order.

Sec. 702. RCW 43.190.120 and 1983 c 290 s 12 are each amended to read as follows:

It is the intent that federal requirements be complied with and the ((~~department~~)) office of financial management annually expend at least one percent of the state's allotment of social services funds from Title III B of the Older Americans Act of 1965, as it exists as of July 24, 1983, or twenty thousand dollars, whichever is greater to establish the state long-term care ombudsman program established by this chapter if funds are appropriated by the legislature.

NEW SECTION. **Sec. 703.** (1) All powers, duties, and functions of the department of commerce pertaining to the long-term care ombudsman program are transferred to the office of financial management. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the director or the office of financial management when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the office of financial management. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made available to the office of financial management. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the office of financial management.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the office of financial management.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers

and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the office of financial management. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the office of financial management to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the office of financial management. All existing contracts and obligations shall remain in full force and shall be performed by the office of financial management.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the office of financial management under this section whose positions are within an existing bargaining unit description at the office of financial management shall become a part of the existing bargaining unit at the office of financial management and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

PART VIII
BUILDING CODE COUNCIL

Sec. 801. RCW 19.27.070 and 1995 c 399 s 8 are each amended to read as follows:

There is hereby established a state building code council to be appointed by the governor.

(1) The state building code council shall consist of fifteen members, two of whom shall be county elected legislative body members or elected executives and two of whom shall be city elected legislative body members or mayors. One of the members shall be a local government building code enforcement official and one of the members shall be a local government fire service official. Of the remaining nine members, one member shall represent general construction, specializing in commercial and industrial building construction; one member shall represent general construction, specializing in residential and multifamily building construction; one member shall represent the architectural design profession; one member shall represent the structural engineering profession; one member shall represent the mechanical engineering profession; one member shall represent the construction building trades; one member shall represent manufacturers, installers, or suppliers of building materials and components; one member shall be a person with a physical disability and shall represent the disability community; and one member shall represent the general public. At least six of these fifteen members shall reside east of the crest of the Cascade mountains. The council shall include: Two members of the house of representatives appointed by the speaker of the house, one from each caucus; two members of the senate appointed by the president of the senate, one from each caucus; and an employee of the electrical division of the department of labor and industries, as ex officio, nonvoting members with all other privileges and rights of membership. Terms of office shall be for three years. The council shall elect a member to serve as chair of the council for one-year terms of office. Any member who is appointed by virtue of being an elected official or holding public employment shall be removed from the council if he or she ceases being such an elected official or holding such public employment. Before making any appointments to the building code council, the governor shall seek nominations from recognized organizations which represent the entities or interests listed in this subsection. Members serving on the council on July 28, 1985, may complete their terms of office. Any vacancy shall be filled by

alternating appointments from governmental and nongovernmental entities or interests until the council is constituted as required by this subsection.

(2) Members shall not be compensated but shall receive reimbursement for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(3) The department of ((~~community, trade, and economic development~~)) general administration shall provide administrative and clerical assistance to the building code council.

Sec. 802. RCW 19.27.097 and 1995 c 399 s 9 are each amended to read as follows:

(1) Each applicant for a building permit of a building necessitating potable water shall provide evidence of an adequate water supply for the intended use of the building. Evidence may be in the form of a water right permit from the department of ecology, a letter from an approved water purveyor stating the ability to provide water, or another form sufficient to verify the existence of an adequate water supply. In addition to other authorities, the county or city may impose conditions on building permits requiring connection to an existing public water system where the existing system is willing and able to provide safe and reliable potable water to the applicant with reasonable economy and efficiency. An application for a water right shall not be sufficient proof of an adequate water supply.

(2) Within counties not required or not choosing to plan pursuant to RCW 36.70A.040, the county and the state may mutually determine those areas in the county in which the requirements of subsection (1) of this section shall not apply. The departments of health and ecology shall coordinate on the implementation of this section. Should the county and the state fail to mutually determine those areas to be designated pursuant to this subsection, the county may petition the department of ((~~community, trade, and economic development~~)) general administration to mediate or, if necessary, make the determination.

(3) Buildings that do not need potable water facilities are exempt from the provisions of this section. The department of ecology, after consultation with local governments, may adopt rules to implement this section, which may recognize differences between high-growth and low-growth counties.

Sec. 803. RCW 19.27.150 and 1995 c 399 s 10 are each amended to read as follows:

Every month a copy of the United States department of commerce, bureau of the census' "report of building or zoning permits issued and local public construction" or equivalent report shall be transmitted by the governing bodies of counties and cities to the department of ((~~community, trade, and economic development~~)) general administration.

Sec. 804. RCW 19.27A.020 and 2009 c 423 s 4 are each amended to read as follows:

(1) The state building code council shall adopt rules to be known as the Washington state energy code as part of the state building code.

(2) The council shall follow the legislature's standards set forth in this section to adopt rules to be known as the Washington state energy code. The Washington state energy code shall be designed to:

(a) Construct increasingly energy efficient homes and buildings that help achieve the broader goal of building zero fossil-fuel greenhouse gas emission homes and buildings by the year 2031;

(b) Require new buildings to meet a certain level of energy efficiency, but allow flexibility in building design, construction, and heating equipment efficiencies within that framework; and

(c) Allow space heating equipment efficiency to offset or substitute for building envelope thermal performance.

(3) The Washington state energy code shall take into account regional climatic conditions. Climate zone 1 shall include all counties not included in climate zone 2. Climate zone 2 includes: Adams, Chelan, Douglas, Ferry, Grant, Kittitas, Lincoln, Okanogan, Pend Oreille, Spokane, Stevens, and Whitman counties.

(4) The Washington state energy code for residential buildings shall be the 2006 edition of the Washington state energy code, or as amended by rule by the council.

(5) The minimum state energy code for new nonresidential buildings shall be the Washington state energy code, 2006 edition, or as amended by the council by rule.

(6)(a) Except as provided in (b) of this subsection, the Washington state energy code for residential structures shall preempt the residential energy code of each city, town, and county in the state of Washington.

(b) The state energy code for residential structures does not preempt a city, town, or county's energy code for residential structures which exceeds the requirements of the state energy code and which was adopted by the city, town, or county prior to March 1, 1990. Such cities, towns, or counties may not subsequently amend their energy code for residential structures to exceed the requirements adopted prior to March 1, 1990.

(7) The state building code council shall consult with the department of ((~~community, trade, and economic development~~)) general administration as provided in RCW 34.05.310 prior to publication of proposed rules. The director of the department of ((~~community, trade, and economic development~~)) general administration shall recommend to the state building code council any changes necessary to conform the proposed rules to the requirements of this section.

(8) The state building code council shall evaluate and consider adoption of the international energy conservation code in Washington state in place of the existing state energy code.

(9) The definitions in RCW 19.27A.140 apply throughout this section.

Sec. 805. RCW 19.27A.140 and 2009 c 423 s 2 are each amended to read as follows:

The definitions in this section apply to RCW 19.27A.130 through 19.27A.190 and 19.27A.020 unless the context clearly requires otherwise.

(1) "Benchmark" means the energy used by a facility as recorded monthly for at least one year and the facility characteristics information inputs required for a portfolio manager.

(2) "Conditioned space" means conditioned space, as defined in the Washington state energy code.

(3) "Consumer-owned utility" includes a municipal electric utility formed under Title 35 RCW, a public utility district formed under Title 54 RCW, an irrigation district formed under chapter 87.03 RCW, a cooperative formed under chapter 23.86 RCW, a mutual corporation or association formed under chapter 24.06 RCW, a port district formed under Title 53 RCW, or a water-sewer district formed under Title 57 RCW, that is engaged in the business of distributing electricity to one or more retail electric customers in the state.

(4) "Cost-effectiveness" means that a project or resource is forecast:

(a) To be reliable and available within the time it is needed; and

(b) To meet or reduce the power demand of the intended consumers at an estimated incremental system cost no greater than that of the least-cost similarly reliable and available alternative project or resource, or any combination thereof.

(5) "Council" means the state building code council.

(6) ((~~"Department" means the department of community, trade, and economic development.~~

~~(7)~~)) "Embodied energy" means the total amount of fossil fuel energy consumed to extract raw materials and to manufacture, assemble, transport, and install the materials in a building and the life-cycle cost benefits including the recyclability and energy efficiencies with respect to building materials, taking into account the total sum of current values for the costs of investment, capital, installation, operating, maintenance, and replacement as estimated for the lifetime of the product or project.

((~~(8)~~)) (7) "Energy consumption data" means the monthly amount of energy consumed by a customer as recorded by the applicable energy meter for the most recent twelve-month period.

((~~(9)~~)) (8) "Energy service company" has the same meaning as in RCW 43.19.670.

((~~(10)~~)) (9) "General administration" means the department of general administration.

((~~(11)~~)) (10) "Greenhouse gas" and "greenhouse gases" includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

((~~(12)~~)) (11) "Investment grade energy audit" means an intensive engineering analysis of energy efficiency and management measures for the facility, net energy savings, and a cost-effectiveness determination.

((~~(13)~~)) (12) "Investor-owned utility" means a corporation owned by investors that meets the definition of "corporation" as defined in RCW 80.04.010 and is engaged in distributing either electricity or natural gas, or both, to more than one retail electric customer in the state.

((~~(14)~~)) (13) "Major facility" means any publicly owned or leased

building, or a group of such buildings at a single site, having ten thousand square feet or more of conditioned floor space.

((~~(15)~~)) (14) "National energy performance rating" means the score provided by the energy star program, to indicate the energy efficiency performance of the building compared to similar buildings in that climate as defined in the United States environmental protection agency "ENERGY STAR® Performance Ratings Technical Methodology."

((~~(16)~~)) (15) "Net zero energy use" means a building with net energy consumption of zero over a typical year.

((~~(17)~~)) (16) "Portfolio manager" means the United States environmental protection agency's energy star portfolio manager or an equivalent tool adopted by the department of general administration.

((~~(18)~~)) (17) "Preliminary energy audit" means a quick evaluation by an energy service company of the energy savings potential of a building.

((~~(19)~~)) (18) "Qualifying public agency" includes all state agencies, colleges, and universities.

((~~(20)~~)) (19) "Qualifying utility" means a consumer-owned or investor-owned gas or electric utility that serves more than twenty-five thousand customers in the state of Washington.

((~~(21)~~)) (20) "Reporting public facility" means any of the following:

(a) A building or structure, or a group of buildings or structures at a single site, owned by a qualifying public agency, that exceed ten thousand square feet of conditioned space;

(b) Buildings, structures, or spaces leased by a qualifying public agency that exceeds ten thousand square feet of conditioned space, where the qualifying public agency purchases energy directly from the investor-owned or consumer-owned utility;

(c) A wastewater treatment facility owned by a qualifying public agency; or

(d) Other facilities selected by the qualifying public agency.

((~~(22)~~)) (21) "State portfolio manager master account" means a portfolio manager account established to provide a single shared portfolio that includes reports for all the reporting public facilities.

Sec. 806. RCW 19.27A.150 and 2009 c 423 s 3 are each amended to read as follows:

(1) To the extent that funding is appropriated specifically for the purposes of this section, the department of commerce shall develop and implement a strategic plan for enhancing energy efficiency in and reducing greenhouse gas emissions from homes, buildings, districts, and neighborhoods. The strategic plan must be used to help direct the future code increases in RCW 19.27A.020, with targets for new buildings consistent with RCW 19.27A.160. The strategic plan will identify barriers to achieving net zero energy use in homes and buildings and identify how to overcome these barriers in future energy code updates and through complementary policies.

(2) The department of commerce must complete and release the strategic plan to the legislature and the council by December 31, 2010, and update the plan every three years.

(3) The strategic plan must include recommendations to the council on energy code upgrades. At a minimum, the strategic plan must:

(a) Consider development of aspirational codes separate from the state energy code that contain economically and technically feasible optional standards that could achieve higher energy efficiency for those builders that elected to follow the aspirational codes in lieu of or in addition to complying with the standards set forth in the state energy code;

(b) Determine the appropriate methodology to measure achievement of state energy code targets using the United States environmental protection agency's target finder program or equivalent methodology;

(c) Address the need for enhanced code training and enforcement;

(d) Include state strategies to support research, demonstration, and education programs designed to achieve a seventy percent reduction in annual net energy consumption as specified in RCW 19.27A.160 and enhance energy efficiency and on-site renewable energy production in buildings;

(e) Recommend incentives, education, training programs and certifications, particularly state-approved training or certification programs, joint apprenticeship programs, or labor-management partnership programs that train workers for energy-efficiency projects to ensure proposed programs are designed to increase building

professionals' ability to design, construct, and operate buildings that will meet the seventy percent reduction in annual net energy consumption as specified in RCW 19.27A.160;

(f) Address barriers for utilities to serve net zero energy homes and buildings and policies to overcome those barriers;

(g) Address the limits of a prescriptive code in achieving net zero energy use homes and buildings and propose a transition to performance-based codes;

(h) Identify financial mechanisms such as tax incentives, rebates, and innovative financing to motivate energy consumers to take action to increase energy efficiency and their use of on-site renewable energy. Such incentives, rebates, or financing options may consider the role of government programs as well as utility-sponsored programs;

(i) Address the adequacy of education and technical assistance, including school curricula, technical training, and peer-to-peer exchanges for professional and trade audiences;

(j) Develop strategies to develop and install district and neighborhood-wide energy systems that help meet net zero energy use in homes and buildings;

(k) Identify costs and benefits of energy efficiency measures on residential and nonresidential construction; and

(l) Investigate methodologies and standards for the measurement of the amount of embodied energy used in building materials.

(4) The department <u>of commerce</u> and the council shall convene a work group with the affected parties to inform the initial development of the strategic plan.

Sec. 807. RCW 19.27A.180 and 2009 c 423 s 7 are each amended to read as follows:

By December 31, 2009, to the extent that funding is appropriated specifically for the purposes of this section, the department <u>of commerce</u> shall develop and recommend to the legislature a methodology to determine an energy performance score for residential buildings and an implementation strategy to use such information to improve the energy efficiency of the state's existing housing supply. In developing its strategy, the department <u>of commerce</u> shall seek input from providers of residential energy audits, utilities, building

contractors, mixed use developers, the residential real estate industry, and real estate listing and form providers.

NEW SECTION. **Sec. 808.** (1) All powers, duties, and functions of the department of commerce pertaining to administrative and support services for the state building code council are transferred to the department of general administration. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the director or the department of general administration when referring to the functions transferred in this section. Policy and planning assistance functions performed by the department of commerce remain with the department of commerce.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the department of general administration. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made available to the department of general administration. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the department of general administration.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the department of general administration.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the department of general administration. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the department of general

administration to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the department of general administration. All existing contracts and obligations shall remain in full force and shall be performed by the department of general administration.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the department of general administration under this section whose positions are within an existing bargaining unit description at the department of general administration shall become a part of the existing bargaining unit at the department of general administration and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

PART IX
DEPARTMENT OF COMMERCE--ENERGY POLICY

Sec. 901. RCW 43.21F.010 and 1975-'76 2nd ex.s. c 108 s 1 are each amended to read as follows:

<u>(1) The legislature finds that the state needs to implement a comprehensive energy planning process that:</u>

<u>(a) Is based on high quality, unbiased analysis;</u>

<u>(b) Engages public agencies and stakeholders in a thoughtful, deliberative process that creates a cohesive plan that earns sustained</u>

support of the public and organizations and institutions that will ultimately be responsible for implementation and execution of the plan; and

(c) Establishes policies and practices needed to ensure the effective implementation of the strategy.

(2) The legislature further finds that energy drives the entire modern economy from petroleum for vehicles to electricity to light homes and power businesses. The legislature further finds that the nation and the world have started the transition to a clean energy economy, with significant improvements in energy efficiency and investments in new clean and renewable energy resources and technologies. The legislature further finds this transition may increase energy costs and it is imperative this increase be mitigated for Washington's energy cost advantage.

(3) The legislature finds and declares that it is the continuing purpose of state government, consistent with other essential considerations of state policy, to foster wise and efficient energy use and to promote energy self-sufficiency through the use of indigenous and renewable energy sources, consistent with the promotion of reliable energy sources, the general welfare, and the protection of environmental quality.

(4) The legislature further declares that a successful state energy strategy must balance three goals to:

(a) Maintain competitive energy prices that are fair and reasonable for consumers and businesses and support our state's continued economic success;

(b) Increase competitiveness by fostering a clean energy economy and jobs through business and workforce development; and

(c) Meet the state's obligations to reduce greenhouse gas emissions.

Sec. 902. RCW 43.21F.025 and 2009 c 565 s 27 are each reenacted and amended to read as follows:

(1) "Assistant director" means the assistant director of the department of commerce responsible for energy policy activities;

(2) "Department" means the department of commerce;

(3) "Director" means the director of the department of commerce;

(4) "Distributor" means any person, private corporation, partnership, individual proprietorship, utility, including investor-owned utilities, municipal utility, public utility district, joint operating agency, or cooperative, which engages in or is authorized to engage in the activity of generating, transmitting, or distributing energy in this state;

(5) "Energy" means petroleum or other liquid fuels; natural or synthetic fuel gas; solid carbonaceous fuels; fissionable nuclear material; electricity; solar radiation; geothermal resources; hydropower; organic waste products; wind; tidal activity; any other substance or process used to produce heat, light, or motion; or the savings from nongeneration technologies, including conservation or improved efficiency in the usage of any of the sources described in this subsection;

(6) "Person" means an individual, partnership, joint venture, private or public corporation, association, firm, public service company, political subdivision, municipal corporation, government agency, public utility district, joint operating agency, or any other entity, public or private, however organized; and

(7) "State energy strategy" means the document ((~~and energy policy direction~~)) developed ((~~under section 1, chapter 201, Laws of 1991 including any related appendices~~)) and updated by the department as allowed in RCW 43.21F.090.

NEW SECTION. **Sec. 903.** A new section is added to chapter 43.21F RCW to read as follows:

(1) The state shall use the following principles to guide development and implementation of the state's energy strategy and to meet the goals of RCW 43.21F.010:

(a) Pursue all cost-effective energy efficiency and conservation as the state's preferred energy resource, consistent with state law;

(b) Ensure that the state's energy system meets the health, welfare, and economic needs of its citizens with particular emphasis on meeting the needs of low-income and vulnerable populations;

(c) Maintain and enhance economic competitiveness by ensuring an affordable and reliable supply of energy resources and by supporting clean energy technology innovation, access to clean energy markets worldwide, and clean energy business and workforce development;

(d) Reduce dependence on fossil fuel energy sources through improved efficiency and development of cleaner energy sources, such as bioenergy, low-carbon energy sources, and natural gas, and leveraging the indigenous resources of the state for the production of clean energy;

(e) Improve efficiency of transportation energy use through advances in vehicle technology, increased system efficiencies, development of electricity, biofuels, and other clean fuels, and regional transportation planning to improve transportation choices;

(f) Meet the state's statutory greenhouse gas limits and environmental requirements as the state develops and uses energy resources;

(g) Build on the advantage provided by the state's clean regional electrical grid by expanding and integrating additional carbon-free and carbon-neutral generation, and improving the transmission capacity serving the state;

(h) Make state government a model for energy efficiency, use of clean and renewable energy, and greenhouse gas-neutral operations; and

(i) Maintain and enhance our state's existing energy infrastructure.

(2) The department shall:

(a) During energy shortage emergencies, give priority in the allocation of energy resources to maintaining the public health, safety, and welfare of the state's citizens and industry in order to minimize adverse impacts on their physical, social, and economic well-being;

(b) Develop and disseminate impartial and objective energy information and analysis, while taking full advantage of the capabilities of the state's institutions of higher education, national laboratory, and other organizations with relevant expertise and analytical capabilities;

(c) Actively seek to maximize federal and other nonstate funding and support to the state for energy efficiency, renewable energy, emerging energy technologies, and other activities of benefit to the state's overall energy future; and

(d) Monitor the actions of all agencies of the state for consistent implementation of the state's energy policy including applicable statutory policies and goals relating to energy supply and use.

Sec. 904. RCW 43.21F.090 and 1996 c 186 s 106 are each amended to read as follows:

(1) By December 1, 2010, the department ((~~shall review the state energy strategy as developed under section 1, chapter 201, Laws of 1991, periodically with the guidance of an advisory committee. For each review, an advisory committee shall be established with a membership resembling as closely as possible the original energy strategy advisory committee specified under section 1, chapter 201, Laws of 1991. Upon completion of a public hearing regarding the advisory committee's advice and recommendations for revisions to the energy strategy, a written report shall be conveyed by the department to the governor and the appropriate legislative committees. Any advisory committee established under this section shall be dissolved within three months after their written report is conveyed.~~)) of commerce shall update and revise the state energy strategy and implementation report with the guidance of an advisory committee formed under subsection (4) of this section. By December 1, 2011, and at least every five years thereafter, the department shall produce a fully updated state energy strategy and implementation report with the guidance of an advisory committee formed under subsection (4) of this section.

(2)(a) The strategy shall, to the maximum extent feasible, examine the state's entire energy system.

(b) In producing and updating the energy strategy, the department and advisory committee shall review related processes and documents relevant to a state energy strategy including, but not limited to, prior state energy strategies, the work of the clean energy leadership council, the climate advisory and action teams, the evergreen jobs committee, and reports of the state transportation planning commission, the economic development commission, and the Northwest power and conservation council.

(c) The strategy must build upon and be consistent with all relevant and applicable statutorily authorized energy, environmental, and other policies, goals, and programs.

(d) The strategy must identify administrative actions, regulatory coordination, and legislative recommendations that need to be undertaken to ensure that the energy strategy is implemented and

operationally supported by all state agencies, regulatory bodies, and other organizations responsible for implementation of energy policy in the state.

(3) In order to facilitate high quality decision making, the director of the department shall engage a group of scientific, engineering, economic, and other experts in energy analysis.

(a) This group shall be comprised of representatives from the following institutions:

(i) Research institutions of higher education;

(ii) The Pacific Northwest national laboratory;

(iii) The Northwest power planning and conservation council; and

(iv) Other private, public, and nonprofit organizations that have a recognized expertise in engineering or economic analysis.

(b) This group will:

(i) Identify near and long-term analytical needs and capabilities necessary to develop a state energy strategy;

(ii) Provide unbiased information about the state and region's energy portfolio, future energy needs, scenarios for growth, and improved productivity.

(c) The department and advisory committee shall use this information in updating the state energy strategy.

(4)(a) In order to update the state strategy, the department shall form an advisory committee. The director shall appoint the advisory committee with a membership reflecting a balance of the interests in energy generation, distribution, and consumption, and economic development including: Residential, commercial, industrial, and agricultural users; electric and natural gas utilities or organizations, both consumer-owned and investor-owned; liquid fuel and natural gas industries; local governments; civic and environmental organizations; clean energy companies; energy research and development organizations, economic development organizations, and key public agencies; and other interested stakeholders. Any advisory committee established under this section must be dissolved within three months after the written report is conveyed. The department and advisory committee shall work with stakeholders and other state agencies to develop the strategy.

(b) Upon completion of a public hearing regarding the advisory committee's advice and recommendations for revisions to the energy strategy, the department shall present a written report to the governor and legislature which may include specific actions that will be needed to implement the strategy. The legislature shall, by concurrent resolution, approve or recommend changes to the strategy and updates.

(5) The department may periodically review and update the state energy strategy as necessary. The department shall engage an advisory committee as required in this section when updating the strategy and present any updates to the legislature for its approval.

(6) To assist in updates of the state energy strategy, the department shall actively seek both in-kind and financial support for this process from other nonstate sources. In order to avoid competition among Washington state agencies, the department shall coordinate the search for such external support. The department shall develop a work plan for updating the energy strategy that reflects the levels of activities and deliverables commensurate with the level of funding and in-kind support available from state and nonstate sources.

NEW SECTION. **Sec. 905.** RCW 43.21F.015 (State policy) and 1994 c 207 s 3 & 1981 c 295 s 1 are each repealed.

PART X

CRIMINAL JUSTICE TRAINING COMMISSION--SUBSTANCE ABUSE PROGRAM

Sec. 1001. RCW 36.27.100 and 1995 c 399 s 41 are each amended to read as follows:

The legislature recognizes that, due to the magnitude or volume of offenses in a given area of the state, there is a recurring need for supplemental assistance in the prosecuting of drug and drug-related offenses that can be directed to the area of the state with the greatest need for short-term assistance. A statewide drug prosecution assistance program is created within the ((~~department of community, trade, and economic development~~)) criminal justice training commission to assist county prosecuting attorneys in the prosecution of drug and drug-related offenses.

NEW SECTION. **Sec. 1002.** (1) All powers, duties, and functions of the department of commerce pertaining to the drug prosecution assistance program are transferred to the criminal justice training commission. All references to the director or the department of commerce in the Revised Code of Washington shall be construed to mean the director or the criminal justice training commission when referring to the functions transferred in this section.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the department of commerce pertaining to the powers, functions, and duties transferred shall be delivered to the custody of the criminal justice training commission. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the department of commerce in carrying out the powers, functions, and duties transferred shall be made available to the criminal justice training commission. All funds, credits, or other assets held in connection with the powers, functions, and duties transferred shall be assigned to the criminal justice training commission.

(b) Any appropriations made to the department of commerce for carrying out the powers, functions, and duties transferred shall, on the effective date of this section, be transferred and credited to the criminal justice training commission.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the department of commerce engaged in performing the powers, functions, and duties transferred are transferred to the jurisdiction of the criminal justice training commission. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the criminal justice training commission to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the department of commerce pertaining to the powers, functions, and duties transferred shall be continued and acted upon by the criminal justice training commission. All existing contracts and obligations shall remain in full force and shall be performed by the criminal justice training commission.

(5) The transfer of the powers, duties, functions, and personnel of the department of commerce shall not affect the validity of any act performed before the effective date of this section.

(6) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected, the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

(7) All classified employees of the department of commerce assigned to the criminal justice training commission under this section whose positions are within an existing bargaining unit description at the criminal justice training commission shall become a part of the existing bargaining unit at the criminal justice training commission and shall be considered an appropriate inclusion or modification of the existing bargaining unit under the provisions of chapter 41.80 RCW.

PART XI
MUNICIPAL RESEARCH COUNCIL

Sec. 1101. RCW 43.110.030 and 2000 c 227 s 3 are each amended to read as follows:

(1) The ((~~municipal research council~~)) department of commerce shall contract for the provision of municipal research and services to cities, towns, and counties. Contracts for municipal research and services shall be made with state agencies, educational institutions, or private consulting firms, that in the judgment of ((~~council members~~)) the department are qualified to provide such research and services. Contracts for staff support may be made with state agencies, educational institutions, or private consulting firms that in the judgment of the ((~~council members~~)) department are qualified to provide such support.

(2) Municipal research and services shall consist of:

((~~(1)~~)) (a) Studying and researching city, town, and county government and issues relating to city, town, and county government;

((~~(2)~~)) (b) Acquiring, preparing, and distributing publications related to city, town, and county government and issues relating to city, town, and county government;

((~~(3)~~)) (c) Providing educational conferences relating to city, town, and county government and issues relating to city, town, and county government; and

((~~(4)~~)) (d) Furnishing legal, technical, consultative, and field services to cities, towns, and counties concerning planning, public health, utility services, fire protection, law enforcement, public works, and other issues relating to city, town, and county government.

(3) Requests for legal services by county officials shall be sent to the office of the county prosecuting attorney. Responses by the ((~~municipal research council~~)) department of commerce to county requests for legal services shall be provided to the requesting official and the county prosecuting attorney.

(4) The ((~~activities, programs, and services of the municipal research council shall be carried on in cooperation~~)) department of commerce shall coordinate with the association of Washington cities and the Washington state association of counties in carrying out the activities in this section. Services to cities and towns shall be based upon the moneys appropriated to the ((~~municipal research council~~)) department from the city and town research services account under RCW 43.110.060. Services to counties shall be based upon the moneys appropriated to the ((~~municipal research council~~)) department from the county research services account under RCW 43.110.050.

Sec. 1102. RCW 43.110.060 and 2002 c 38 s 4 are each amended to read as follows:

The city and town research services account is created in the state treasury. Moneys in the account shall consist of amounts transferred under RCW 66.08.190(2) and any other transfers or appropriations to the account. Moneys in the account may be spent only after an appropriation. Expenditures from the account may be used only for city and town research.

All unobligated moneys remaining in the account at the end of the fiscal biennium shall be distributed by the treasurer to the incorporated cities and towns of the state in the same manner as the distribution under RCW 66.08.190(1)(b)(iii).

((~~The treasurer may disburse amounts appropriated to the municipal research council from the city and town research services account by warrant or check to the contracting parties on invoices or vouchers certified by the chair of the municipal research council or his or her designee.~~)) Payments to public agencies may be made in advance of actual work contracted for, at the discretion of the ((~~council~~)) department of commerce.

Sec. 1103. RCW 43.110.080 and 2006 c 328 s 1 are each amended to read as follows:

(1) The ((~~municipal research council~~)) department of commerce shall contract for the provision of research and services to special purpose districts. A contract shall be made with a state agency, educational institution, or private consulting firm, that in the judgment of ((~~council members~~)) the department is qualified to provide such research and services.

(2) Research and services to special purpose districts shall consist of:

(a) Studying and researching issues relating to special purpose district government;

(b) Acquiring, preparing, and distributing publications related to special purpose districts; and

(c) Furnishing legal, technical, consultative, and field services to special purpose districts concerning issues relating to special purpose district government.

(3) The ((~~activities, programs, and services of the municipal research council to special purpose districts shall be carried on in cooperation~~)) department of commerce shall coordinate with the associations representing the various special purpose districts with respect to carrying out the activities in this section. Services to special purpose districts shall be based upon the moneys appropriated to the ((~~municipal research council~~)) department of commerce from the special purpose district research services account under RCW 43.110.090.

Sec. 1104. RCW 43.15.020 and 2009 c 560 s 27 are each amended to read as follows:

The lieutenant governor serves as president of the senate and is responsible for making appointments to, and serving on, the committees and boards as set forth in this section.

(1) The lieutenant governor serves on the following boards and committees:

(a) Capitol furnishings preservation committee, RCW 27.48.040;

(b) Washington higher education facilities authority, RCW 28B.07.030;

(c) Productivity board, also known as the employee involvement and recognition board, RCW 41.60.015;

(d) State finance committee, RCW 43.33.010;

(e) State capitol committee, RCW 43.34.010;

(f) Washington health care facilities authority, RCW 70.37.030;

(g) State medal of merit nominating committee, RCW 1.40.020;

(h) Medal of valor committee, RCW 1.60.020; and

(i) Association of Washington generals, RCW 43.15.030.

(2) The lieutenant governor, and when serving as president of the senate, appoints members to the following boards and committees:

(a) Civil legal aid oversight committee, RCW 2.53.010;

(b) Office of public defense advisory committee, RCW 2.70.030;

(c) Washington state gambling commission, RCW 9.46.040;

(d) Sentencing guidelines commission, RCW 9.94A.860;

(e) State building code council, RCW 19.27.070;

(f) Women's history consortium board of advisors, RCW 27.34.365;

(g) Financial ((~~literacy~~)) <u>education</u> public-private partnership, RCW 28A.300.450;

(h) Joint administrative rules review committee, RCW 34.05.610;

(i) Capital projects advisory review board, RCW 39.10.220;

(j) Select committee on pension policy, RCW 41.04.276;

(k) Legislative ethics board, RCW 42.52.310;

(l) Washington citizens' commission on salaries, RCW 43.03.305;

(m) Legislative oral history committee, RCW 44.04.325;

(n) State council on aging, RCW 43.20A.685;

(o) State investment board, RCW 43.33A.020;

(p) Capitol campus design advisory committee, RCW 43.34.080;

(q) Washington state arts commission, RCW 43.46.015;

(r) Information services board, RCW 43.105.032;

(s) K-20 educational network board, RCW 43.105.800;

(t) ((~~Municipal research council, RCW 43.110.010;~~

~~(u)~~)) Council for children and families, RCW 43.121.020;

((~~(v)~~)) (u) PNWER-Net working subgroup under chapter 43.147 RCW;

((~~(w)~~)) (v) Community economic revitalization board, RCW 43.160.030;

((~~(x)~~)) (w) Washington economic development finance authority, RCW 43.163.020;

((~~(y)~~)) (x) Life sciences discovery fund authority, RCW 43.350.020;

((~~(z)~~)) (y) Legislative children's oversight committee, RCW 44.04.220;

((~~(aa)~~)) (z) Joint legislative audit and review committee, RCW 44.28.010;

((~~(bb)~~)) (aa) Joint committee on energy supply and energy conservation, RCW 44.39.015;

((~~(cc)~~)) (bb) Legislative evaluation and accountability program committee, RCW 44.48.010;

((~~(dd)~~)) (cc) Agency council on coordinated transportation, RCW 47.06B.020;

((~~(ee)~~)) (dd) Manufactured housing task force, RCW 59.22.090;

((~~(ff)~~)) (ee) Washington horse racing commission, RCW 67.16.014;

((~~(gg)~~)) (ff) Correctional industries board of directors, RCW 72.09.080;

((~~(hh)~~)) (gg) Joint committee on veterans' and military affairs, RCW 73.04.150;

((~~(ii)~~)) (hh) Joint legislative committee on water supply during drought, RCW 90.86.020;

((~~(jj)~~)) (ii) Statute law committee, RCW 1.08.001; and

((~~(kk)~~)) (jj) Joint legislative oversight committee on trade policy, RCW 44.55.020.

Sec. 1105. RCW 35.21.185 and 1995 c 21 s 1 are each amended to read as follows:

(1) It is the purpose of this section to provide a means whereby all cities and towns may obtain, through a single source, information regarding ordinances of other cities and towns that may be of assistance to them in enacting appropriate local legislation.

(2) For the purposes of this section, (a) "clerk" means the city or town clerk or other person who is lawfully designated to perform the recordkeeping function of that office, and (b) "((~~municipal research council~~)) department" means the ((~~municipal research council created by chapter 43.110 RCW~~)) department of commerce.

(3) The clerk of every city and town is directed to provide to the ((~~municipal research council~~)) department or its designee, promptly after adoption, a copy of each of its regulatory ordinances and such other ordinances or kinds of ordinances as may be described in a list or lists promulgated by the ((~~municipal research council~~)) department or its designee from time to time, and may provide such copies without charge. The ((~~municipal research council~~)) department may provide that information to the entity with which it contracts for the provision of municipal research and services, in order to provide a pool of information for all cities and towns in the state of Washington.

(4) This section is intended to be directory and not mandatory.

Sec. 1106. RCW 35.102.040 and 2006 c 301 s 7 are each amended to read as follows:

(1)(a) The cities, working through the association of Washington cities, shall form a model ordinance development committee made up of a representative sampling of cities that as of July 27, 2003, impose a business and occupation tax. This committee shall work through the association of Washington cities to adopt a model ordinance on municipal gross receipts business and occupation tax. The model ordinance and subsequent amendments shall be adopted using a process that includes opportunity for substantial input from business stakeholders and other members of the public. Input shall be solicited from statewide business associations and from local chambers of commerce and downtown business associations in cities that levy a business and occupation tax.

(b) The ((~~municipal research council~~)) department of commerce shall contract to post the model ordinance on an internet web site and to make paper copies available for inspection upon request. The department of revenue and the department of licensing shall post copies of or links to the model ordinance on their internet web sites. Additionally, a city that imposes a business and occupation tax must

make copies of its ordinance available for inspection and copying as provided in chapter 42.56 RCW.

(c) The definitions and tax classifications in the model ordinance may not be amended more frequently than once every four years, however the model ordinance may be amended at any time to comply with changes in state law. Any amendment to a mandatory provision of the model ordinance must be adopted with the same effective date by all cities.

(2) A city that imposes a business and occupation tax must adopt the mandatory provisions of the model ordinance. The following provisions are mandatory:

(a) A system of credits that meets the requirements of RCW 35.102.060 and a form for such use;

(b) A uniform, minimum small business tax threshold of at least the equivalent of twenty thousand dollars in gross income annually. A city may elect to deviate from this requirement by creating a higher threshold or exemption but it shall not deviate lower than the level required in this subsection. If a city has a small business threshold or exemption in excess of that provided in this subsection as of January 1, 2003, and chooses to deviate below the threshold or exemption level that was in place as of January 1, 2003, the city must notify all businesses licensed to do business within the city at least one hundred twenty days prior to the potential implementation of a lower threshold or exemption amount;

(c) Tax reporting frequencies that meet the requirements of RCW 35.102.070;

(d) Penalty and interest provisions that meet the requirements of RCW 35.102.080 and 35.102.090;

(e) Claim periods that meet the requirements of RCW 35.102.100;

(f) Refund provisions that meet the requirements of RCW 35.102.110; and

(g) Definitions, which at a minimum, must include the definitions enumerated in RCW 35.102.030 and 35.102.120. The definitions in chapter 82.04 RCW shall be used as the baseline for all definitions in the model ordinance, and any deviation in the model ordinance from these definitions must be described by a comment in the model ordinance.

(3) Except for the deduction required by RCW 35.102.160 and the

system of credits developed to address multiple taxation under subsection (2)(a) of this section, a city may adopt its own provisions for tax exemptions, tax credits, and tax deductions.

(4) Any city that adopts an ordinance that deviates from the nonmandatory provisions of the model ordinance shall make a description of such differences available to the public, in written and electronic form.

Sec. 1107. RCW 36.70B.220 and 2005 c 274 s 272 are each amended to read as follows:

(1) Each county and city having populations of ten thousand or more that plan under RCW 36.70A.040 shall designate permit assistance staff whose function it is to assist permit applicants. An existing employee may be designated as the permit assistance staff.

(2) Permit assistance staff designated under this section shall:

(a) Make available to permit applicants all current local government regulations and adopted policies that apply to the subject application. The local government shall provide counter copies thereof and, upon request, provide copies according to chapter 42.56 RCW. The staff shall also publish and keep current one or more handouts containing lists and explanations of all local government regulations and adopted policies;

(b) Establish and make known to the public the means of obtaining the handouts and related information; and

(c) Provide assistance regarding the application of the local government's regulations in particular cases.

(3) Permit assistance staff designated under this section may obtain technical assistance and support in the compilation and production of the handouts under subsection (2) of this section from the ((~~municipal research council and the department of community, trade, and economic development~~)) department of commerce.

NEW SECTION. **Sec. 1108.** The following acts or parts of acts are each repealed:

(1) RCW 43.110.010 (Council created--Membership--Terms--Travel expenses) and 2001 c 290 s 1, 1997 c 437 s 1, 1990 c 104 s 1, 1983 c 22 s 1, 1975-'76 2nd ex.s. c 34 s 129, 1975 1st ex.s. c 218 s 1, & 1969 c 108 s 2;

(2) RCW 43.110.040 (Local government regulation and policy handouts--Technical assistance) and 1996 c 206 s 10; and

(3) RCW 43.110.070 (Hazardous liquid and gas pipeline--Model ordinance and franchise agreement) and 2000 c 191 s 8.

NEW SECTION. **Sec. 1109.** (1) The municipal research council is hereby abolished and its powers, duties, and functions are hereby transferred to the department of commerce. All references to the municipal research council in the Revised Code of Washington shall be construed to mean the department of commerce.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the municipal research council shall be delivered to the custody of the department of commerce. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the municipal research council shall be made available to the department of commerce. All funds, credits, or other assets held by the municipal research council shall be assigned to the department of commerce.

(b) Any appropriations made to the municipal research council shall, on the effective date of this section, be transferred and credited to the department of commerce.

(c) If any question arises as to the transfer of any funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All rules and all pending business before the municipal research council shall be continued and acted upon by the department of commerce. All existing contracts and obligations shall remain in full force and shall be performed by the department of commerce.

(4) The transfer of the powers, duties, and functions of the municipal research council shall not affect the validity of any act performed before the effective date of this section.

(5) If apportionments of budgeted funds are required because of the transfers directed by this section, the director of financial management shall certify the apportionments to the agencies affected,

the state auditor, and the state treasurer. Each of these shall make the appropriate transfer and adjustments in funds and appropriation accounts and equipment records in accordance with the certification.

PART XII
MISCELLANEOUS PROVISIONS

Sec. 1201. RCW 41.06.070 and 2009 c 33 s 36 and 2009 c 5 s 1 are each reenacted and amended to read as follows:

(1) The provisions of this chapter do not apply to:

(a) The members of the legislature or to any employee of, or position in, the legislative branch of the state government including members, officers, and employees of the legislative council, joint legislative audit and review committee, statute law committee, and any interim committee of the legislature;

(b) The justices of the supreme court, judges of the court of appeals, judges of the superior courts or of the inferior courts, or to any employee of, or position in the judicial branch of state government;

(c) Officers, academic personnel, and employees of technical colleges;

(d) The officers of the Washington state patrol;

(e) Elective officers of the state;

(f) The chief executive officer of each agency;

(g) In the departments of employment security and social and health services, the director and the director's confidential secretary; in all other departments, the executive head of which is an individual appointed by the governor, the director, his or her confidential secretary, and his or her statutory assistant directors;

(h) In the case of a multimember board, commission, or committee, whether the members thereof are elected, appointed by the governor or other authority, serve ex officio, or are otherwise chosen:

(i) All members of such boards, commissions, or committees;

(ii) If the members of the board, commission, or committee serve on a part-time basis and there is a statutory executive officer: The secretary of the board, commission, or committee; the chief executive officer of the board, commission, or committee; and the confidential

secretary of the chief executive officer of the board, commission, or committee;

(iii) If the members of the board, commission, or committee serve on a full-time basis: The chief executive officer or administrative officer as designated by the board, commission, or committee; and a confidential secretary to the chair of the board, commission, or committee;

(iv) If all members of the board, commission, or committee serve ex officio: The chief executive officer; and the confidential secretary of such chief executive officer;

(i) The confidential secretaries and administrative assistants in the immediate offices of the elective officers of the state;

(j) Assistant attorneys general;

(k) Commissioned and enlisted personnel in the military service of the state;

(l) Inmate, student, part-time, or temporary employees, and part-time professional consultants, as defined by the Washington personnel resources board;

(m) The public printer or to any employees of or positions in the state printing plant;

(n) Officers and employees of the Washington state fruit commission;

(o) Officers and employees of the Washington apple commission;

(p) Officers and employees of the Washington state dairy products commission;

(q) Officers and employees of the Washington tree fruit research commission;

(r) Officers and employees of the Washington state beef commission;

(s) Officers and employees of the Washington grain commission;

(t) Officers and employees of any commission formed under chapter 15.66 RCW;

(u) Officers and employees of agricultural commissions formed under chapter 15.65 RCW;

(v) Officers and employees of the nonprofit corporation formed under chapter 67.40 RCW;

(w) Executive assistants for personnel administration and labor relations in all state agencies employing such executive assistants including but not limited to all departments, offices, commissions,

committees, boards, or other bodies subject to the provisions of this chapter and this subsection shall prevail over any provision of law inconsistent herewith unless specific exception is made in such law;

(x) In each agency with fifty or more employees: Deputy agency heads, assistant directors or division directors, and not more than three principal policy assistants who report directly to the agency head or deputy agency heads;

(y) All employees of the marine employees' commission;

(z) Staff employed by the department of ((~~community, trade, and economic development~~)) commerce to administer ((~~energy~~)) innovation and policy functions ((~~and manage~~));

(aa) The manager of the energy site evaluation council ((~~activities under RCW 43.21F.045(2)(m)~~)); and

((~~(aa)~~)) (bb) Staff employed by Washington State University to administer energy education, applied research, and technology transfer programs under RCW 43.21F.045 as provided in RCW 28B.30.900(5).

(2) The following classifications, positions, and employees of institutions of higher education and related boards are hereby exempted from coverage of this chapter:

(a) Members of the governing board of each institution of higher education and related boards, all presidents, vice presidents, and their confidential secretaries, administrative, and personal assistants; deans, directors, and chairs; academic personnel; and executive heads of major administrative or academic divisions employed by institutions of higher education; principal assistants to executive heads of major administrative or academic divisions; other managerial or professional employees in an institution or related board having substantial responsibility for directing or controlling program operations and accountable for allocation of resources and program results, or for the formulation of institutional policy, or for carrying out personnel administration or labor relations functions, legislative relations, public information, development, senior computer systems and network programming, or internal audits and investigations; and any employee of a community college district whose place of work is one which is physically located outside the state of Washington and who is employed pursuant to RCW 28B.50.092 and assigned to an educational program operating outside of the state of Washington;

(b) The governing board of each institution, and related boards, may also exempt from this chapter classifications involving research activities, counseling of students, extension or continuing education activities, graphic arts or publications activities requiring prescribed academic preparation or special training as determined by the board: PROVIDED, That no nonacademic employee engaged in office, clerical, maintenance, or food and trade services may be exempted by the board under this provision;

(c) Printing craft employees in the department of printing at the University of Washington.

(3) In addition to the exemptions specifically provided by this chapter, the director of personnel may provide for further exemptions pursuant to the following procedures. The governor or other appropriate elected official may submit requests for exemption to the director of personnel stating the reasons for requesting such exemptions. The director of personnel shall hold a public hearing, after proper notice, on requests submitted pursuant to this subsection. If the director determines that the position for which exemption is requested is one involving substantial responsibility for the formulation of basic agency or executive policy or one involving directing and controlling program operations of an agency or a major administrative division thereof, the director of personnel shall grant the request and such determination shall be final as to any decision made before July 1, 1993. The total number of additional exemptions permitted under this subsection shall not exceed one percent of the number of employees in the classified service not including employees of institutions of higher education and related boards for those agencies not directly under the authority of any elected public official other than the governor, and shall not exceed a total of twenty-five for all agencies under the authority of elected public officials other than the governor.

The salary and fringe benefits of all positions presently or hereafter exempted except for the chief executive officer of each agency, full-time members of boards and commissions, administrative assistants and confidential secretaries in the immediate office of an elected state official, and the personnel listed in subsections (1)(j) through (v) and (y) and (2) of this section, shall be determined by the director of personnel. Changes to the classification plan affecting

exempt salaries must meet the same provisions for classified salary increases resulting from adjustments to the classification plan as outlined in RCW 41.06.152.

For the twelve months following February 18, 2009, a salary or wage increase shall not be granted to any position exempt from classification under this chapter.

Any person holding a classified position subject to the provisions of this chapter shall, when and if such position is subsequently exempted from the application of this chapter, be afforded the following rights: If such person previously held permanent status in another classified position, such person shall have a right of reversion to the highest class of position previously held, or to a position of similar nature and salary.

Any classified employee having civil service status in a classified position who accepts an appointment in an exempt position shall have the right of reversion to the highest class of position previously held, or to a position of similar nature and salary.

A person occupying an exempt position who is terminated from the position for gross misconduct or malfeasance does not have the right of reversion to a classified position as provided for in this section.

NEW SECTION. **Sec. 1202.** RCW 43.63A.150 is decodified.

NEW SECTION. **Sec. 1203.** This act takes effect July 1, 2010."

E2SHB 2658 - S COMM AMD
By Committee on Ways & Means

On page 1, line 2 of the title, after "programs;" strike the remainder of the title and insert "amending RCW 43.330.005, 43.330.007, 70.05.125, 43.270.020, 43.270.070, 43.270.080, 43.330.210, 43.330.240, 82.14.400, 43.63A.305, 43.63A.307, 43.63A.311, 43.63A.313, 9.94A.8673, 43.63A.720, 43.63A.735, 43.280.011, 43.280.020, 43.280.060, 43.280.070, 43.280.080, 43.280.090, 74.14B.060, 80.50.030, 43.190.030, 43.190.120,

19.27.070, 19.27.097, 19.27.150, 19.27A.020, 19.27A.140, 19.27A.150, 19.27A.180, 43.21F.010, 43.21F.025, 43.21F.090, 36.27.100, 43.110.030, 43.110.060, 43.110.080, 43.15.020, 35.21.185, 35.102.040, and 36.70B.220; reenacting and amending RCW 70.125.030 and 41.06.070; adding new sections to chapter 43.70 RCW; adding new sections to chapter 43.20A RCW; adding new sections to chapter 43.22 RCW; adding a new section to chapter 43.21F RCW; creating new sections; recodifying RCW 43.330.195, 43.330.200, 43.330.205, 43.330.210, 43.330.220, 43.330.225, 43.330.230, 43.330.240, 43.63A.305, 43.63A.307, 43.63A.309, 43.63A.311, 43.63A.313, 43.63A.315, 43.63A.720, 43.63A.725, 43.63A.730, 43.63A.735, and 43.63A.740; decodifying RCW 43.280.081 and 43.63A.150; repealing RCW 43.21F.015, 43.110.010, 43.110.040, and 43.110.070; and providing an effective date."

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