# PROPOSED 2014 SUPPLEMENTAL OPERATING APPROPRIATIONS BILL

**Governor Jay Inslee**
**December 17, 2013**

**BILL REQUEST - CODE REVISER'S OFFICE**

| | |
|---|---|
| BILL REQ. #: | Z-0655.3/14 3rd draft |
| ATTY/TYPIST: | LL:eab |
| BRIEF DESCRIPTION: | Making 2014 supplemental operating appropriations. |

AN ACT Relating to fiscal matters; amending RCW 49.70.170, 77.36.170, and 82.08.160; reenacting and amending RCW 70.105D.070; amending 2013 2nd sp.s. c 4 ss 101, 102, 103, 104, 105, 106, 107, 108, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 147, 148, 149, 150, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 401, 402, 501, 502, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 701, 703, 704, 706, 710, 714, 801, 802, 803, 804, 805, 932, 933, 937, 939, and 943 (uncodified); adding new sections to 2013 2nd sp.s. c 4 (uncodified); repealing 2013 2nd sp.s. c 4 s 720 (uncodified); making appropriations; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

## PART I
## GENERAL GOVERNMENT

**Sec. 101.** 2013 2nd sp.s. c 4 s 101 (uncodified) is amended to read as follows:

**FOR THE HOUSE OF REPRESENTATIVES**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$30,789,000~~))
$30,923,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$31,075,000~~))
$31,207,000

Motor Vehicle Account--State Appropriation . . . . . $1,765,000

TOTAL APPROPRIATION . . . . . ((~~$63,629,000~~))
$63,895,000

**Sec. 102.** 2013 2nd sp.s. c 4 s 102 (uncodified) is amended to read as follows:

**FOR THE SENATE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$21,150,000~~))
$21,240,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$23,405,000~~))
$23,329,000

Motor Vehicle Account--State Appropriation . . . . . $1,514,000

TOTAL APPROPRIATION . . . . . ((~~$46,069,000~~))
$46,083,000

**Sec. 103.** 2013 2nd sp.s. c 4 s 103 (uncodified) is amended to read as follows:

**FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

General Fund--State Appropriation (FY 2014) . . . . . $62,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$111,000~~))
$96,000

Performance Audits of Government Account--State
Appropriation . . . . . $5,641,000

Medical Aid Account--State Appropriation . . . . . $332,000

Accident Account--State Appropriation . . . . . .$332,000

TOTAL APPROPRIATION . . . . . .((~~$6,478,000~~))
$6,463,000

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

(1) Notwithstanding the provisions of this section, the joint

legislative audit and review committee may adjust the due dates for projects included on the committee's 2013-15 work plan as necessary to efficiently manage workload.

(2) $332,000 of the medical aid account--state appropriation and $332,000 of the accident account--state appropriation are provided for the purposes of chapter 37, Laws of 2011 (workers' compensation).

(3) $323,000 of the performance audits of government account--state appropriation is provided for consultant and staff costs related to the economic analysis of tax preferences as directed by chapter 43.136 RCW.

(4) The joint legislative audit and review committee shall conduct an audit of Washington's state research universities. The purpose of the audit is to identify cost and profit centers within, and in partnership with, the research universities. The audit must focus on public funds; student fees, in particular tuition; and auxiliary enterprises, which for the purposes of the audit at the University of Washington includes University of Washington medical center, the internal lending program, the W fund, and the center for commercialization. The audit at each university much achieve the following:

(a) Assess the university's policies and practices for tracking per-student expenditures for instruction and identify the average amount per student that the university has spent on instruction for undergraduate students in each of the past five fiscal years;

(b) Obtain the university's definition of auxiliary enterprises and determine the number of auxiliary enterprises, including the University of Washington medical center, the University of Washington internal lending program, the W fund, and the center for commercialization, that exist in the university system, the methods the university uses to track revenue and expenditures of auxiliary enterprises, and the policies and practices the university has in place to ensure that state funding is not used to supplement or guarantee projects or programs authorized by auxiliary enterprises;

(c) Identify how much money is being spent on undergraduate education and to what extent undergraduate education is subsidizing graduate education; and

(d) Determine how tuition funds are being used and to what extent they are being used to fund the University of Washington medical

center, the University of Washington internal lending program, the W fund, and the center for commercialization and to back bonds authorized by the university.

(5) The committee shall conduct a study of the current methods of collecting legal financial obligations and compare those methods with other debt collection methods, including contracting for debt collection of legal financial obligations. The study shall include analysis of the costs and revenues of current methods and compare those to alternatives, and include analysis of the impact of current methods and alternatives to revenues received by the state. Included shall be an examination of costs and revenue generation before and after the implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362, Laws of 2005 (SSB 5256) and analysis of whether these changes met the legislative goals of reducing costs and increasing collections. A report on the results of the analysis shall be presented to the appropriate committees of the legislature by December 2014.

(6) The committee shall conduct a study of economic development programs and projects supported by the state general fund in the department of commerce. The study shall first review the extent to which these programs: (a) Included specific economic development targets; (b) monitored economic development targets; (c) required for programs which provided support or services through contracts, whether the contracts were structured such that if economic development targets were not met, contracts were reviewed or revised; and (d) changed the economic development targets of associate development organizations relative to funding increases since 2007. The study will include the feasibility of determining how to isolate other factors, such as general economic trends, from the impacts of economic development programs. The costs and options for conducting future analysis of the outcomes specific to economic development programs shall be included and a briefing report shall be provided to the appropriate committees of the legislature by December 1, 2013. A complete report with study data and conclusions shall be provided to the appropriate committees of the legislature by December 1, 2014.

(7) The committee shall analyze the incidence and level of taxation and business incentives available to the financial services industry in Washington State, and identify the relative differences in taxes and

business incentives compared to California. A report shall be provided to the appropriate committees of the legislature by December 1, 2014.

(8) The committee shall conduct an analysis of how school districts use school days. The analysis must include:

(a) How school districts define classroom time, nonclassroom time, instructional time, noninstructional time, and any other definitions of how the school day is divided or used;

(b) Estimates of time in each category;

(c) How noninstructional time is distributed over the annual number of school days;

(d) When noninstructional hours occur;

(e) How noninstructional hours are used, including how much noninstructional time is devoted to professional development for the purposes of teacher and principal evaluation training or common core state standards training; and

(f) The extent to which the use of each category of time is identified or defined in collective bargaining agreements.

To the extent data is not available at the statewide level, the committee may use case studies or other methods to conduct the analysis. The committee shall submit a report of its findings to the education committees of the legislature by December 1, 2014.

(9) The committee shall review funding enhancement formulas that provide minimum staffing unit funding to small school districts and districts with school plants that have been judged by the state board of education to be remote and necessary. The committee will make an assessment of the current formulas and report any recommended adjustments to the legislative fiscal committees of the senate and the house of representatives by November 1, 2014. In assessing the current formulas, the committee may consider: Enhancements being made to basic education funding in the 2013-2015 omnibus appropriations act and committed to under Engrossed Substitute House Bill No. 2261 (chapter 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236, Laws of 2010); developments in technology or educational service delivery since the formulas were established; practices in other states; districts' ability to provide students with access to a program of education; and inter-district equity.

((~~(12)~~)) (10) In carrying out the report required by RCW 44.28.157, the committee shall include by December 2014, an analysis of the

impacts of using the Washington health benefit exchange established in chapter 43.71 RCW as a mechanism for providing health insurance for part-time certificated and classified K-12 public school employees. The analysis shall be conducted in coordination with the health care authority and shall include a review of how the exchange, federal health premium tax credits and subsidies for out-of-pocket expenses administered through the exchange, and Medicaid expansion have impacted, or could impact, health care costs for individuals, school districts, and the state. The analysis shall also include a review of the cost of stand-alone dental plans.

**Sec. 104.** 2013 2nd sp.s. c 4 s 104 (uncodified) is amended to read as follows:

**FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

General Fund--State Appropriation (FY 2014) . . . . . $1,653,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$1,811,000~~))
$1,805,000

TOTAL APPROPRIATION . . . . . ((~~$3,464,000~~))
$3,458,000

**Sec. 105.** 2013 2nd sp.s. c 4 s 105 (uncodified) is amended to read as follows:

**FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$8,004,000~~))
$8,126,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$7,973,000~~))
$8,063,000

TOTAL APPROPRIATION . . . . . ((~~$15,977,000~~))
$16,189,000

**Sec. 106.** 2013 2nd sp.s. c 4 s 106 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF THE STATE ACTUARY**

Department of Retirement Systems Expense
Account--State Appropriation . . . . . ((~~$3,529,000~~))
$3,534,000

**Sec. 107.** 2013 2nd sp.s. c 4 s 107 (uncodified) is amended to read as follows:

**FOR THE STATUTE LAW COMMITTEE**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$3,895,000~~))
$3,903,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$4,102,000~~))
$4,080,000

TOTAL APPROPRIATION . . . . . ((~~$7,997,000~~))
$7,983,000

**Sec. 108.** 2013 2nd sp.s. c 4 s 108 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$3,686,000~~))
$3,708,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$3,684,000~~))
$3,685,000

TOTAL APPROPRIATION . . . . . ((~~$7,370,000~~))
$7,393,000

**Sec. 109.** 2013 2nd sp.s. c 4 s 110 (uncodified) is amended to read as follows:

**FOR THE SUPREME COURT**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$6,911,000~~))
$7,057,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$6,836,000~~))
$6,953,000

TOTAL APPROPRIATION . . . . . ((~~$13,747,000~~))
$14,010,000

**Sec. 110.** 2013 2nd sp.s. c 4 s 111 (uncodified) is amended to read as follows:

**FOR THE LAW LIBRARY**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,481,000~~))
$1,484,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,468,000~~))
$1,467,000

TOTAL APPROPRIATION . . . . . ((~~$2,949,000~~))

$2,951,000

**Sec. 111.** 2013 2nd sp.s. c 4 s 112 (uncodified) is amended to read as follows:

**FOR THE COMMISSION ON JUDICIAL CONDUCT**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,068,000~~))
$1,071,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$994,000~~))
$1,001,000

TOTAL APPROPRIATION . . . . . ((~~$2,062,000~~))
$2,072,000

**Sec. 112.** 2013 2nd sp.s. c 4 s 113 (uncodified) is amended to read as follows:

**FOR THE COURT OF APPEALS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$15,691,000~~))
$15,888,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$15,685,000~~))
$16,134,000

TOTAL APPROPRIATION . . . . . ((~~$31,376,000~~))
$32,022,000

**Sec. 113.** 2013 2nd sp.s. c 4 s 114 (uncodified) is amended to read as follows:

**FOR THE ADMINISTRATOR FOR THE COURTS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$51,085,000~~))
$52,357,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$50,771,000~~))
$52,091,000

General Fund--Federal Appropriation . . . . . .((~~$2,125,000~~))
$2,124,000

General Fund--Private/Local Appropriation . . . . . .((~~$658,000~~))
$657,000

Judicial Information Systems Account--State
Appropriation . . . . . ((~~$46,611,000~~))
$54,723,000

Judicial Stabilization Trust Account--State
Appropriation . . . . . $6,691,000

TOTAL APPROPRIATION . . . . . ((~~$157,941,000~~)) $168,643,000

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

(1) $1,500,000 of the judicial information systems account--state appropriation is provided solely for development and implementation of the information network hub project.

(2) $2,138,000 of the judicial information systems account--state appropriation is provided solely for replacement of computer equipment, including servers, routers, and storage system upgrades.

((~~(4)~~)) (3) The distributions made under this subsection and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate reimbursement for costs for any new programs or increased level of service for purposes of RCW 43.135.060.

((~~(5)~~)) (4) $1,199,000 of the judicial information systems account--state appropriation is provided solely for replacing computer equipment at state courts and state judicial agencies.

((~~(6)~~)) (5) $108,000 of the general fund--state appropriation for fiscal year 2014 and $108,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of chapter 210, Laws of 2013 (Senate Bill No. 5052) (superior court judges Whatcom county). The funds provided in this subsection shall be expended only if the fourth superior court judge position in Whatcom county is appointed and serving on the bench.

((~~(7)~~)) (6) $108,000 of the general fund--state appropriation for fiscal year 2014 and $108,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of chapter 142, Laws of 2013 (House Bill No. 1175) (superior court judges Benton/Franklin counties). The funds provided in this subsection shall be expended only if the seventh superior court judge position in Benton and Franklin counties jointly is appointed and serving on the bench.

((~~(8)~~)) (7) $11,300,000 of the judicial information systems account--state appropriation is provided solely for continued implementation of the superior court case management system project. The administrative office of the courts, in consultation with the judicial information systems committee, the superior court case management system project steering committee, and the office of the

chief information officer shall develop a revised charter to implement the next phases of the superior court case management system. The revised charter shall insure that the superior court case management system project steering committee continues to provide contract oversight, in collaboration with the judicial information system committee, through the implementation period and various phases of the project. Oversight responsibilities throughout the various phases of the project must include, but are not limited to, vendor management, contract and deliverable management, and assuring satisfaction of the business and technical needs at the local level. The superior court case management system project steering committee may solicit input from user groups as deemed appropriate. The revised charter shall be approved by the judicial information systems committee.

((~~(9)~~)) (8) $1,399,000 of the general fund--state appropriation for fiscal year 2014 and $1,399,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

((~~(10)~~)) (9)(a) $7,313,000 of the general fund--state appropriation for fiscal year 2014 and $7,313,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(b) Each fiscal year during the 2013-2015 fiscal biennium, each county shall report the number of petitions processed and the total

actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives and senate fiscal committees no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

((~~(11)~~)) (10) $274,000 of the general fund--state appropriation for fiscal year 2014 and $274,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the office of public guardianship to continue guardianship services for those low-income incapacitated persons who were receiving services on June 30, 2013.

((~~(12)~~)) (11) $333,000 of the judicial information systems account--state appropriation is provided solely for the content management system for the appellate courts.

**Sec. 114.** 2013 2nd sp.s. c 4 s 115 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF PUBLIC DEFENSE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$30,410,000~~))
$30,862,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$33,719,000~~))
$35,532,000

Judicial Stabilization Trust Account--State
Appropriation . . . . . $3,648,000

General Fund--Federal Appropriation . . . . . ((~~$152,000~~))
$304,000

TOTAL APPROPRIATION . . . . . ((~~$67,929,000~~))
$70,346,000

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

(1) The amounts provided include funding for expert and investigative services in death penalty personal restraint petitions.

(2) $3,378,000 of the general fund--state appropriation for fiscal year 2015 is provided solely to expand the parents representation

program into Asotin, Columbia, Garfield, King, Whatcom, and Whitman counties.

**Sec. 115.** 2013 2nd sp.s. c 4 s 116 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF CIVIL LEGAL AID**

General Fund--State Appropriation (FY 2014) . . . . . $10,862,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$10,870,000~~))
$11,149,000

Judicial Stabilization Trust Account--State
Appropriation . . . . . ((~~$1,454,000~~))
$1,453,000

TOTAL APPROPRIATION . . . . . ((~~$23,186,000~~))
$23,464,000

The appropriations in this section are subject to the following conditions and limitations: An amount not to exceed $40,000 of the general fund--state appropriation for fiscal year 2014 and an amount not to exceed $40,000 of the general fund--state appropriation for fiscal year 2015 may be used to provide telephonic legal advice and assistance to otherwise eligible persons who are sixty years of age or older on matters authorized by RCW 2.53.030(2) (a) through (k) regardless of household income or asset level.

**Sec. 116.** 2013 2nd sp.s. c 4 s 117 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF THE GOVERNOR**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$5,509,000~~))
$5,530,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$5,217,000~~))
$5,196,000

Economic Development Strategic Reserve Account--State
Appropriation . . . . . $4,000,000

TOTAL APPROPRIATION . . . . . $14,726,000

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

(1) $4,000,000 of the economic development strategic reserve account appropriation is provided solely for efforts to assist with

currently active industrial recruitment efforts that will bring new jobs to the state or will retain headquarter locations of major companies currently housed in the state.

(2) $684,000 of the general fund--state appropriation for fiscal year 2014 and $684,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the office of the education ombudsman.

(3) $258,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

**Sec. 117.** 2013 2nd sp.s. c 4 s 118 (uncodified) is amended to read as follows:

**FOR THE LIEUTENANT GOVERNOR**

General Fund--State Appropriation (FY 2014) . . . . . $654,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$658,000~~))
$661,000

General Fund--Private/Local Appropriation . . . . . $90,000

TOTAL APPROPRIATION . . . . . ((~~$1,402,000~~))
$1,405,000

**Sec. 118.** 2013 2nd sp.s. c 4 s 119 (uncodified) is amended to read as follows:

**FOR THE PUBLIC DISCLOSURE COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$2,082,000~~))
$2,087,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$2,015,000~~))
$2,081,000

TOTAL APPROPRIATION . . . . . ((~~$4,097,000~~))
$4,168,000

**Sec. 119.** 2013 2nd sp.s. c 4 s 120 (uncodified) is amended to read as follows:

**FOR THE SECRETARY OF STATE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$11,356,000~~))
$11,827,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$9,535,000~~)) $9,455,000

General Fund--Federal Appropriation . . . . . .((~~$7,419,000~~)) $7,437,000

General Fund--Private/Local Appropriation . . . . . $20,000

Public Records Efficiency, Preservation, and Access Account--State Appropriation . . . . . ((~~$7,361,000~~)) $7,524,000

Charitable Organization Education Account--State Appropriation . . . . . $364,000

Local Government Archives Account--State Appropriation . . . . . ((~~$8,467,000~~)) $8,494,000

Election Account--Federal Appropriation . . . . . ((~~$12,016,000~~)) $12,010,000

Washington State Heritage Center Account--State Appropriation . . . . . $8,860,000

TOTAL APPROPRIATION . . . . . ((~~$65,378,000~~)) $65,991,000

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

(1) ((~~$3,301,000~~)) $3,767,000 of the general fund--state appropriation for fiscal year 2014 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2)(a) $1,847,000 of the general fund--state appropriation for fiscal year 2014 and $1,926,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2013-2015 fiscal biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent

of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a contract with the nonprofit organization to provide public affairs coverage.

(c) The nonprofit organization shall prepare an annual independent audit, an annual financial statement, and an annual report, including benchmarks that measure the success of the nonprofit organization in meeting the intent of the program.

(d) No portion of any amounts disbursed pursuant to this subsection may be used, directly or indirectly, for any of the following purposes:

(i) Attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, by any county, city, town, or other political subdivision of the state of Washington, or by the congress, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency;

(ii) Making contributions reportable under chapter 42.17 RCW; or

(iii) Providing any: (A) Gift; (B) honoraria; or (C) travel, lodging, meals, or entertainment to a public officer or employee.

(3) Any reductions to funding for the Washington talking book and Braille library may not exceed in proportion any reductions taken to the funding for the library as a whole.

(4) It is the intent of the legislature to consider during the 2014 legislative session funding for the publication and distribution of a primary election voters pamphlet.

(5) $771,000 of the general fund--state appropriation for fiscal year 2014 and $772,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the state library to purchase statewide on-line access to the information technology academy to allow public access to on-line courses and learning resources through public libraries.

**Sec. 120.** 2013 2nd sp.s. c 4 s 121 (uncodified) is amended to read as follows:

**FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$253,000~~)) $249,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$248,000~~)) $254,000

TOTAL APPROPRIATION . . . . . ((~~$501,000~~)) $503,000

The appropriations in this section are subject to the following conditions and limitations: The office shall assist the department of enterprise services on providing the government-to-government training sessions for federal, state, local, and tribal government employees. The training sessions shall cover tribal historical perspectives, legal issues, tribal sovereignty, and tribal governments. Costs of the training sessions shall be recouped through a fee charged to the participants of each session. The department of enterprise services shall be responsible for all of the administrative aspects of the training, including the billing and collection of the fees for the training.

**Sec. 121.** 2013 2nd sp.s. c 4 s 122 (uncodified) is amended to read as follows:

**FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$213,000~~)) $210,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$207,000~~)) $212,000

TOTAL APPROPRIATION . . . . . ((~~$420,000~~)) $422,000

**Sec. 122.** 2013 2nd sp.s. c 4 s 123 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER**

State Treasurer's Service Account--State Appropriation . . . . . ((~~$14,924,000~~)) $14,906,000

The appropriation in this section is subject to the following conditions and limitations: $150,000 of the state treasurer's service

account--state appropriation is provided solely for legal fees related to additional legal assistance due to changes in federal financial regulations and an increase in complex and high profile litigation.

**Sec. 123.** 2013 2nd sp.s. c 4 s 124 (uncodified) is amended to read as follows:

**FOR THE STATE AUDITOR**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$728,000~~)) $755,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$733,000~~)) $758,000

State Auditing Services Revolving Account--State Appropriation . . . . . ((~~$9,573,000~~)) $9,545,000

((~~Performance Audits of Government Account--State Appropriation . . . . . $56,000~~))

TOTAL APPROPRIATION . . . . . ((~~$11,090,000~~)) $11,058,000

The appropriations in this section are subject to the following conditions and limitations: ((~~(1) $728,000~~)) $755,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$733,000~~)) $758,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when requested.

**Sec. 124.** 2013 2nd sp.s. c 4 s 125 (uncodified) is amended to read as follows:

**FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$141,000~~)) $138,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$171,000~~)) $174,000

TOTAL APPROPRIATION . . . . . $312,000

**Sec. 125.** 2013 2nd sp.s. c 4 s 126 (uncodified) is amended to read as follows:

**FOR THE ATTORNEY GENERAL**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$10,456,000~~)) $11,019,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$10,132,000~~)) $10,792,000

General Fund--Federal Appropriation . . . . . $7,114,000

New Motor Vehicle Arbitration Account--State Appropriation . . . . . ((~~$997,000~~)) $993,000

Legal Services Revolving Account--State Appropriation . . . . . ((~~$191,286,000~~)) $205,657,000

Tobacco Prevention and Control Account--State Appropriation . . . . . $271,000

Medicaid Fraud Penalty Account--State Appropriation . . ((~~$2,279,000~~)) $2,333,000

Public Services Revolving Account--State Appropriation . . . . . ((~~$2,093,000~~)) $2,106,000

TOTAL APPROPRIATION . . . . . ((~~$224,628,000~~)) $240,285,000

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

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year. As part of its by agency report to the legislative fiscal committees and the office of financial management, the office of the attorney general shall include information detailing the agency's expenditures for its agency-wide overhead and a breakdown by division of division administration expenses.

(2) Prior to entering into any negotiated settlement of a claim against the state that exceeds five million dollars, the attorney

general shall notify the director of financial management and the chairs of the senate committee on ways and means and the house of representatives committee on appropriations.

(3) The attorney general shall annually report to the fiscal committees of the legislature all new *cy pres* awards and settlements and all new accounts, disclosing their intended uses, balances, the nature of the claim or account, proposals, and intended timeframes for the expenditure of each amount. The report shall be distributed electronically and posted on the attorney general's web site. The report shall not be printed on paper or distributed physically.

(4) The executive ethics board shall: (a) Develop a statewide plan, with performance measures, to provide overall direction and accountability in all executive branch agencies and statewide elected offices; (b) coordinate and work with the commission on judicial conduct and the legislative ethics board; (c) assess and evaluate each agency's ethical culture through employee and stakeholder surveys, review Washington state quality award feedback reports, and publish an annual report on the results to the public; and (d) solicit outside evaluations, studies, and recommendations for improvements from academics, nonprofit organizations, the public disclosure commission, or other entities with expertise in ethics, integrity, and the public sector.

(5) $424,000 of the legal services revolving account--state appropriation is provided solely for replacement of a portion of the agency's personal computers. The amount provided in this subsection is conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer and section 945 of this act, personal computer acquisition and replacement.

(6) $609,000 of the legal services revolving account--state appropriation is provided solely for upgrades to software programs. The amount provided in this subsection is conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(7) $150,000 of the legal services revolving account--state appropriation is provided solely for the implementation of Engrossed

Second Substitute Senate Bill No. 5405 (extended foster care). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(8) $50,000 of the general fund--state appropriation for fiscal year 2014 and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(9) $189,000 of the legal services revolving account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1420 (transportation improvement projects). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(10) $2,093,000 of the public service revolving account--state appropriation is provided solely for the work of the public counsel section of the office of the attorney general.

(11) $353,000 of the general fund--state appropriation for fiscal year 2014 and $353,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant to the Washington coalition of crime victim advocates to provide training, certification, and technical assistance for crime victim service center advocates.

**Sec. 126.** 2013 2nd sp.s. c 4 s 127 (uncodified) is amended to read as follows:

**FOR THE CASELOAD FORECAST COUNCIL**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,260,000~~))
$1,211,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,230,000~~))
$1,209,000

TOTAL APPROPRIATION . . . . . ((~~$2,490,000~~))
$2,420,000

**Sec. 127.** 2013 2nd sp.s. c 4 s 128 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF COMMERCE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$63,076,000~~))
$62,238,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$60,151,000~~))
$67,668,000
General Fund--Federal Appropriation . . . . . .((~~$265,004,000~~))
$266,618,000
General Fund--Private/Local Appropriation . . . . . ((~~$5,638,000~~))
$5,604,000
Public Works Assistance Account--State
Appropriation . . . . . ((~~$3,036,000~~))
$3,268,000
Drinking Water Assistance Administrative
Account--State Appropriation . . . . . ((~~$445,000~~))
$442,000
Lead Paint Account--State Appropriation . . . . . .((~~$147,000~~))
$148,000
Building Code Council Account--State Appropriation . . . . . .$13,000
Home Security Fund Account--State Appropriation . . . . ((~~$25,452,000~~))
$25,435,000
Affordable Housing for All Account--State
Appropriation . . . . . ((~~$11,915,000~~))
$11,908,000
Financial Fraud and Identity Theft Crimes Investigation
and Prosecution Account--State Appropriation . . . . . ((~~$969,000~~))
$1,166,000
Low-Income Weatherization Assistance Account--State
Appropriation . . . . . ((~~$1,882,000~~))
$1,879,000
Community and Economic Development Fee Account--State
Appropriation . . . . . ((~~$5,303,000~~))
$5,299,000
Washington Housing Trust Account--State
Appropriation . . . . . ((~~$19,592,000~~))
$19,556,000
Prostitution Prevention and Intervention Account--
State Appropriation . . . . . .$98,000
Public Facility Construction Loan Revolving
Account--State Appropriation . . . . . ((~~$758,000~~))
$902,000
Washington Community Technology Opportunity Account--

Private/Local Appropriation . . . . . $10,000
Liquor Revolving Account--State Appropriation . . . . . .$5,605,000
TOTAL APPROPRIATION . . . . . ((~~$469,094,000~~))
$478,006,000

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

(1) Repayments of outstanding mortgage and rental assistance program loans administered by the department under RCW 43.63A.640 shall be remitted to the department, including any current revolving account balances. The department shall collect payments on outstanding loans, and deposit them into the state general fund. Repayments of funds owed under the program shall be remitted to the department according to the terms included in the original loan agreements.

(2) $500,000 of the general fund--state appropriation for fiscal year 2014 and $500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant to resolution Washington to building statewide capacity for alternative dispute resolution centers and dispute resolution programs that guarantee that citizens have access to low-cost resolution as an alternative to litigation.

(3) $306,000 of the general fund--state appropriation for fiscal year 2014 and $306,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant to the retired senior volunteer program.

(4) The department shall administer its growth management act technical assistance and pass-through grants so that smaller cities and counties receive proportionately more assistance than larger cities or counties.

(5) $375,000 of the general fund--state appropriation for fiscal year 2014 and $375,000 of the general fund--state appropriation for fiscal year 2015 are provided solely as pass-through funding to Walla Walla Community College for its water and environmental center.

(6) $1,800,000 of the home security fund--state appropriation is provided for transitional housing assistance or partial payments for rental assistance under the independent youth housing program.

(7) $5,000,000 of the home security fund--state appropriation is for the operation, repair, and staffing of shelters in the homeless family shelter program.

(8) $198,000 of the general fund--state appropriation for fiscal year 2014 and $198,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington new Americans program.

(9) $2,949,000 of the general fund--state appropriation for fiscal year 2014 and $2,949,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for associate development organizations. During the 2013-2015 fiscal biennium, the department shall consider an associate development organization's total resources when making contracting and fund allocation decisions, in addition to the schedule provided in RCW 43.330.086.

(10) $234,000 of the general fund--state appropriation for fiscal year 2014 and $233,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington asset building coalitions.

(11) $5,605,000 of the liquor revolving account--state appropriation is provided solely for the department to contract with the municipal research and services center of Washington.

(12) $500,000 of the general fund--state appropriation for fiscal year 2014 and $500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the purposes of purchasing contracted services to expand and promote the tourism industry in the state of Washington.

(a) The department must contract with the Washington tourism alliance. Expenditure of state moneys is contingent upon the contractor providing a dollar for dollar cash or in-kind match. Funding must be provided for the following services:

(i) Serving as a central point of contact through developing and maintaining a web portal for Washington tourism, operating a call center, and mailing travel guides;

(ii) Promoting Washington as a tourism destination to national and international markets, with emphasis on markets in Europe and Asia;

(iii) Providing information to businesses and local communities on tourism opportunities that could expand local revenues; and

(iv) Conducting tourism-related research, including market research and measuring the return on investment of funded activities.

(b) The department may not use more than 4 percent of the funds to administer, monitor, and report the outcomes of the services. The

department must electronically submit performance metrics by January 1, 2014, and report the outcomes of the services by January 1, 2015, to the economic development committees of the legislature.

(c) The department has the authority to designate one or more alternative contractors if necessary due to performance or other significant issues. Such change must only be made after consultation with the Washington tourism alliance, the governor's office, and the chairs and ranking members of the economic development committees of the legislature.

(13) $72,000 of the prostitution prevention and intervention account is provided solely for implementation of Engrossed Substitute House Bill No. 1291 (sex trade victims). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(14) $49,000 of the general fund--state appropriation for fiscal year 2014 and $49,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of House Bill No. 1818 (business and government streamlining). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(15) $36,000 of the general fund--state appropriation for fiscal year 2014 and $37,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to develop an economic cluster strategy to leverage the state's unique maritime assets, geography, history, and infrastructure. Goals include growing employment, targeted economic activity, environmental considerations, tax revenue to state and local governments, and quality of life associated with the maritime sector by working with the industry to understand workforce needs, parity considerations with Oregon and British Columbia, and tax structure and regulatory barriers. The department will report its findings to the appropriate committees of the legislature no later than December 1, 2014.

(16) $2,000,000 of the Washington housing trust account--state appropriation is provided solely for the department of commerce for services to homeless families through the Washington families fund.

(17) $5,000,000 of the home security account--state appropriation is provided solely for the department of commerce to provide emergency assistance to homeless families in the temporary assistance for needy families program.

(18) $75,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the economic development commission to retain one current administrative position. The department shall convene a work group, chaired by the current chair of the economic development commission, of representatives of associate development organizations and the economic development commission to recommend: (1) Changes to the economic development commission's purpose and source and amount of funding; (2) objective benchmarks and outcome-based performance measures for evaluating state investments in economic development; (3) high priority regulatory reforms to foster a favorable business climate for long-term private sector job creation and competitiveness; and (4) organizational roles responsibilities and structures to strengthen cohesive planning, streamline execution, and improve outcomes. The work group shall be comprised of representatives from no less than eight associate development organizations representing both urban and rural counties and counties on both sides of the Cascade range. The department shall submit a report of the work group's recommendation to the fiscal and economic development policy committees of the legislature by December 15, 2013.

(19) ((~~$4,000,000~~)) $2,515,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$850,000~~)) $4,079,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for purposes of creating and operating a community health care and education and innovation center at the Pacific Medical Center in Seattle. Amounts provided in this subsection must be used for lease, maintenance, operations, and other required related expenses for Seattle community colleges allied health programs and other related uses identified by the department of commerce. The department is authorized to enter into a thirty-year lease for the Pacific Medical Center property. Of the amounts provided in this subsection for fiscal year 2015, $300,000 is provided solely for Seattle community college for planning funds for establishing the health training center at Pacific medical center.

(20) Within the appropriations in this section, the department shall, by December 1, 2013, develop a comprehensive start-up Washington strategy to facilitate the growth of start-ups and enhance the state's competitiveness in recruiting and retaining businesses that start up in Washington. This shall include but is not limited to: Business and

occupation tax relief, capital investment, regulatory burdens, workforce and infrastructure needs and support. Start-up businesses interactions with state government and other public entities as a customer shall also be considered.

(21) $700,000 of the general fund--state appropriation for fiscal year 2014 and $700,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to identify and invest in strategic growth areas, support key sectors, and align existing economic development programs and priorities. The department must consider Washington's position as the most trade dependent state when identifying priority investments. The department must engage states and provinces in the northwest as well as associate development organizations, small business development centers, chambers of commerce, ports, and other partners to leverage the funds provided. For each dollar expended the department must receive a one hundred percent match. The match may be provided by the department through nongeneral fund sources, or any partnering governments or organizations. The department must develop performance metrics and milestones. The department must electronically submit the performance metrics and performance-to-date by January 1, 2014, to the economic development committees of the legislature.

(22) The department is authorized to suspend issuing any nonstatutorily required grants or contracts of an amount less than $1,000,000 per year.

(23) The department is authorized to require an applicant to pay an application fee to cover the cost of reviewing the project and preparing an advisory opinion on whether a proposed electric generation project or conservation resource qualifies to meet mandatory conservation targets.

(24) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the economic impact and infrastructure cost study for Covington town center.

(25) The department is directed to work with innovation partnership zone administrators to review the existing grant program, including the criteria for designation as an innovation partnership zone and the grant funding criteria. The department shall submit its report to the legislature by December 1, 2013.

(26) $250,000 of the general fund--state appropriation for fiscal year 2014 and $1,700,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for facilitating technology transfer and commercialization activities, and to develop technology-based industries throughout the state.

(a) Through a competitive process, the department must contract with a nonprofit entity with a principal office in Washington with experience in technology-based commercialization and technology transfer activities. The director of the department of commerce shall appoint a contract steering committee to determine the level of expenditure of state moneys on the following services:

(i) Supporting businesses in securing federal and private funds to support product research and commercialization, developing and integrating technology in new or enhanced products and services, and launching those products and services in sustainable businesses in the state;

(ii) Establishing public-private partnerships and programmatic activities that increase the competitiveness of state industries;

(iii) Working with the state energy office to improve the alignment of investments in clean energy technologies with state policies; and

(iv) Administering technology and innovation grant and loan programs.

(b) The department may use up to five percent of the funds provided in this subsection to administer and monitor any contracts under this subsection.

**Sec. 128.** 2013 2nd sp.s. c 4 s 129 (uncodified) is amended to read as follows:

**FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$764,000~~))
$758,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$802,000~~))
$814,000

Lottery Administrative Account--State Appropriation . . . . . $50,000

TOTAL APPROPRIATION . . . . . ((~~$1,616,000~~))
$1,622,000

**Sec. 129.** 2013 2nd sp.s. c 4 s 130 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$18,414,000~~)) $18,155,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$17,542,000~~)) $18,817,000

General Fund--Federal Appropriation . . . . . ((~~$31,340,000~~)) $34,337,000

General Fund--Private/Local Appropriation . . . . . .$370,000

Economic Development Strategic Reserve Account--State Appropriation . . . . . ((~~$289,000~~)) $288,000

Personnel Service Fund--State Appropriation . . . . . ((~~$8,656,000~~)) $8,612,000

Data Processing Revolving Account--State Appropriation . . . . . ((~~$6,015,000~~)) $6,526,000

Higher Education Personnel Services Account--State Appropriation . . . . . $1,497,000

Performance Audits of Government Account--State Appropriation . . . . . $4,000,000

TOTAL APPROPRIATION . . . . . ((~~$88,123,000~~)) $92,602,000

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

(1) The office of financial management shall prepare a report outlining alternative methods of procuring health benefits for home care workers, including individual providers and agency providers. In preparing the report, the office of financial management shall consult with the department of social and health services, representatives of individual home care providers, and agency home care providers.

Along with a summary of the current method of providing benefits, the report must include an analysis of the policy and fiscal implications of accessing health benefits through the Washington health benefits exchange. The report must also provide an analysis of a medicaid section 1115 waiver with the federal centers for medicare and medicaid services that would provide additional medicaid matching funds

for individual provider home care workers who are provided with health care benefits through a collective bargaining agreement negotiated with the state under chapter 74.39A RCW, but would otherwise be eligible for medicaid under the federal expanded eligibility provisions that take effect January 1, 2014.

The report must be submitted to the appropriate fiscal committees of the legislature by January 6, 2014.

(2) $350,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(3) $536,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for a study of the state's medical and public assistance eligibility systems and infrastructure with the goal of simplifying procedures, improving customer service, and reducing state expenditures. The study must also examine which state entities play various roles in the eligibility and data verification processes in order to determine if eligibility processes can be further streamlined in light of changes related to the federal affordable care act. The study must identify how costs will be allocated between state and federal funding sources and options for maximizing federal participation. The office of financial management shall provide a report on its findings and recommendations to the relevant policy and fiscal committees of the legislature by January 1, 2014.

(4)(a) The legislature finds that the state's nationally recognized student achievement initiative has led to significant improvements at two-year institutions of higher education. With the goal of creating such efficiencies within the four-year institutions of higher education, the office of financial management shall convene, in coordination with the joint committee on higher education and the student achievement council, a technical incentive funding model task force to propose an incentive funding model for the four-year institutions of higher education. The model will provide new incentive funding to four-year institutions of higher education that demonstrate improvement on existing performance measures and control resident undergraduate tuition growth. Participation in the program is

voluntary; however, funding appropriated for this program shall only be available to those institutions that have chosen to participate in the program.

(b) The task force must include the following members:

(i) One representative from the student achievement council;

(ii) One representative from the education data center created in RCW 43.41.400; and

(iii) One representative from each of the four-year institutions of higher education.

(c) The program shall include, but shall not be limited to:

(i) A system for allocating new incentive funding to participating institutions based on an institution's:

(A) Performance in specific metrics;

(B) Control and reduction where possible of resident undergraduate and graduate tuition; and

(C) Efficient utilization of classrooms, laboratories, and online and other high technology instructional methods;

(ii) A methodology for allocating funding for performance as specified in (c)(i)(A) of this subsection that is based on performance metrics reported in the accountability monitoring and reporting system established in RCW 28B.77.090 and that recognizes each institution's unique mission by measuring each institution's performance in these metrics against its past performance;

(iii) A methodology for investing any unallocated incentive funds to the state need grant program created in chapter 28B.92 RCW to expand access to low-income and underserved student populations; and

(iv) A methodology for establishing a baseline level of state funding that:

(A) Fully supports the state's need for an increasing portion of its citizens to gain post-secondary education and qualifications;

(B) Recognizes the acute need of the state's high-technology economy for a sufficient number of graduates in high employer demand programs of study;

(C) Achieves a more equitable share of support between the state and students and their families; and

(D) Provides for funding enhancements based on demonstrated improvements in institutional performance within the educational achievement and tuition reduction incentive program.

(d) The workgroup shall submit a final report containing an incentive funding model to the governor and higher education and fiscal committees of the legislature by December 31, 2013.

(5) $1,000,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of financial management to contract with a statewide nonprofit organization with expertise in promoting and supporting STEM education from early learning through postsecondary education in accordance with chapter 25, Laws of 2013 2nd sp. sess.

(6) $300,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for an analysis of statewide jail needs and how operational costs are incurred among local governments. The analysis must examine, among other things, how regional capacity is currently being utilized at the state and local level and the financial impact to counties of providing felon and juvenile detention. A report of findings must be provided to the governor and legislative fiscal committees by November 1, 2014.

**Sec. 130.** 2013 2nd sp.s. c 4 s 131 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

Administrative Hearings Revolving Account--State

Appropriation . . . . . ((~~$37,772,000~~))

$38,142,000

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

(1) $151,000 of the administrative hearings revolving account--state appropriation is provided solely for replacement of computer equipment, including servers, routers, and storage system upgrades. The amount provided in this subsection is conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(2) $137,000 of the administrative hearings revolving account--state appropriation is provided solely for replacement of a portion of the agency's personal computers. The amount provided in this subsection is conditioned on the department satisfying the requirements

of the project management oversight standards and policies established by the office of the chief information officer.

**Sec. 131.** 2013 2nd sp.s. c 4 s 132 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE LOTTERY**

Lottery Administrative Account--State

Appropriation . . . . . ((~~$25,696,000~~))

$25,813,000

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

(1) $596,000 of the lottery administrative account--state appropriation is provided solely for the replacement of the lottery's gaming systems vendor contract.

(2) No portion of this appropriation may be used for acquisition of gaming system capabilities that violates state law.

(3) $133,000 of the lottery administrative account--state appropriation is provided solely for the construction and placement of a staffed kiosk at the SeaTac international airport. The agency shall submit a preliminary cost-benefit analysis to the office of financial management and the appropriate fiscal committees of the legislature by November 1, 2014.

**Sec. 132.** 2013 2nd sp.s. c 4 s 133 (uncodified) is amended to read as follows:

**FOR THE COMMISSION ON HISPANIC AFFAIRS**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$238,000~~))

$235,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$235,000~~))

$242,000

TOTAL APPROPRIATION . . . . . ((~~$473,000~~))

$477,000

**Sec. 133.** 2013 2nd sp.s. c 4 s 134 (uncodified) is amended to read as follows:

**FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$233,000~~))

$238,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$224,000~~)) $237,000

TOTAL APPROPRIATION . . . . . ((~~$457,000~~)) $475,000

**Sec. 134.** 2013 2nd sp.s. c 4 s 135 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

General Fund--State Appropriation (FY 2015) . . . . . $250,000

Department of Retirement Systems Expense Account--State Appropriation . . . . . ((~~$50,728,000~~)) $50,656,000

TOTAL APPROPRIATION . . . . . $50,906,000

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

(1) $250,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the department of retirement systems to investigate options for private sector retirement accounts. The department of retirement systems is authorized to explore alternatives for retirement savings accounts for employees of private sector and non-profit organizations, especially workers in small and medium-sized firms. This may include work to develop a plan or plans for submittal to the United States internal revenue service for approval under the tax code. In developing plans, the department shall minimize financial and other liability to the state, as well as the cost of the plan. The department of retirement systems may: (a) Consult with service organizations that promote retirement savings, and (b) partner with any other state, local or federal agencies engaged in similar efforts to develop retirement savings programs for employees of private and nonprofit sector organizations. The department shall inform the office of financial management of the results of its work under this section by June 30, 2015.

(2) The department shall not implement or accept enrollments in any state run or sponsored retirement savings plan under this section without prior legislative approval.

**Sec. 135.** 2013 2nd sp.s. c 4 s 136 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF REVENUE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$107,985,000~~))
$108,175,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$106,301,000~~))
$105,786,000

Timber Tax Distribution Account--State
Appropriation . . . . . ((~~$6,102,000~~))
$6,094,000

Waste Reduction/Recycling/Litter Control--State
Appropriation . . . . . ((~~$132,000~~))
$131,000

State Toxics Control Account--State Appropriation . . . . . ((~~$93,000~~))
$92,000

Master License Fund--State Appropriation . . . . . .((~~$17,082,000~~))
$17,066,000

Data Processing Revolving Account--State Appropriation . . . $6,751,000

TOTAL APPROPRIATION . . . . . .((~~$244,446,000~~))
$244,095,000

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

(1) The department of revenue is authorized to increase the master application fee to nineteen dollars and the renewal fee to eleven dollars consistent with RCW 19.02.075.

(2) $6,751,000 of the data processing revolving account--state appropriation and $4,853,000 of the master license fund--state appropriation are provided solely for the replacement of the department's legacy business systems. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(3) $495,000 of the general fund--state appropriation for fiscal year 2014 and $431,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of House Bill No. 1971 or Senate Bill No. 5873 (communications services reform). If neither bill is enacted by June 30, 2013, the amounts provided in the subsection shall lapse.

(4) $641,000 of the general fund--state appropriation for fiscal year 2014 and $297,000 of the general fund--state appropriation for

fiscal year 2015 are provided solely for the implementation of Senate Bill No. 5882 or House Bill No. 2081 (tax preferences and transparency). If neither bill is enacted by June 30, 2013, the amounts provided in the subsection shall lapse.

**Sec. 136.** 2013 2nd sp.s. c 4 s 137 (uncodified) is amended to read as follows:

**FOR THE BOARD OF TAX APPEALS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$1,217,000~~))
$1,203,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$1,178,000~~))
$1,192,000

TOTAL APPROPRIATION . . . . . $2,395,000

**Sec. 137.** 2013 2nd sp.s. c 4 s 138 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

OMWBE Enterprises Account--State Appropriation . . . . . ((~~$4,077,000~~))
$4,027,000

The appropriation in this section is subject to the following conditions and limitations: ((~~$200,000 of the minority and women's business enterprises account--state appropriation is provided for implementation of a certification program for small business enterprises.~~)) The agency will collaborate with the department of transportation to certify small businesses as small business enterprises. Funding for this work is provided through interagency agreement with the state department of transportation.

**Sec. 138.** 2013 2nd sp.s. c 4 s 139 (uncodified) is amended to read as follows:

**FOR THE INSURANCE COMMISSIONER**

General Fund--State Appropriation (FY 2014) . . . . . $300,000

General Fund--State Appropriation (FY 2015) . . . . . $100,000

General Fund--Federal Appropriation . . . . . ((~~$4,495,000~~))
$4,490,000

Health Benefit Exchange Account--State Appropriation . . . . . $676,000

Insurance Commissioners Regulatory Account--State
Appropriation . . . . . ((~~$49,555,000~~))

$49,760,000

TOTAL APPROPRIATION . . . . . ((~~$55,126,000~~))
$55,326,000

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

(1) $676,000 of the health benefit exchange account--state appropriation is provided solely to implement Engrossed Substitute House Bill No. 1947 (Washington health benefit exchange). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(2) The office of the insurance commissioner shall not curtail functions relating to solvency, rates and forms, and consumer protection.

**Sec. 139.** 2013 2nd sp.s. c 4 s 140 (uncodified) is amended to read as follows:

**FOR THE STATE INVESTMENT BOARD**

State Investment Board Expense Account--State
Appropriation . . . . . ((~~$36,035,000~~))
$36,008,000

**Sec. 140.** 2013 2nd sp.s. c 4 s 141 (uncodified) is amended to read as follows:

**FOR THE LIQUOR CONTROL BOARD**

Liquor Revolving Account--State Appropriation . . . . . ((~~$65,146,000~~))
$64,738,000

General Fund--Federal Appropriation . . . . . $945,000

General Fund--Private/Local Appropriation . . . . . $25,000

TOTAL APPROPRIATION . . . . . ((~~$66,116,000~~))
$65,708,000

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

(1) ((~~$2,494,000~~)) $7,350,000 of the liquor revolving account--state appropriation is provided solely for the liquor control board to implement Initiative Measure No. 502.

(2)(a) The liquor control board must work with the department of health and the department of revenue to develop recommendations for the

legislature regarding the interaction of medical marijuana regulations and the provisions of Initiative Measure No. 502. At a minimum, the recommendations must include provisions addressing the following:

(i) Age limits;

(ii) Authorizing requirements for medical marijuana;

(iii) Regulations regarding health care professionals;

(iv) Collective gardens;

(v) Possession amounts;

(vi) Location requirements;

(vii) Requirements for medical marijuana producing, processing, and retail licensing;

(viii) Taxation of medical marijuana in relation to recreational marijuana; and

(ix) The state agency that should be the regulatory body for medical cannabis.

(b) The board must submit its recommendations to the appropriate committees of the legislature by January 1, 2014.

**Sec. 141.** 2013 2nd sp.s. c 4 s 142 (uncodified) is amended to read as follows:

**FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

General Fund--Federal Appropriation . . . . . $150,000

General Fund--Private/Local Appropriation . . . . . ((~~$11,228,000~~))
$11,223,000

Public Service Revolving Account--State
Appropriation . . . . . ((~~$29,893,000~~))
$29,917,000

Pipeline Safety Account--State Appropriation . . . . . $4,411,000

Pipeline Safety Account--Federal Appropriation . . . . . ((~~$1,938,000~~))
$1,933,000

TOTAL APPROPRIATION . . . . . ((~~$47,620,000~~))
$47,634,000

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

(1) The commission shall work with the Idaho public utilities commission and the public utility commission of Oregon to identify common regulatory functions that can be performed jointly, with the goal of formalizing an agreement that protects essential services while

increasing regulatory effectiveness and efficiencies through economies of scale. The commission is authorized to enter into an agreement with such other state public utility commissions to work jointly in administering specified respective regulatory functions.

(2) Up to $200,000 of the total appropriation is provided for the commission to continue to evaluate the regulatory processes for energy companies and identify and implement administrative actions to improve those processes. The commission shall develop and adopt a schedule for such administrative actions.

**Sec. 142.** 2013 2nd sp.s. c 4 s 143 (uncodified) is amended to read as follows:

**FOR THE MILITARY DEPARTMENT**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$1,880,000~~))
$1,855,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$1,846,000~~))
$1,721,000

General Fund--Federal Appropriation . . . . . ((~~$140,135,000~~))
$140,101,000

Enhanced 911 Account--State Appropriation . . . . . ((~~$58,514,000~~))
$58,725,000

Disaster Response Account--State Appropriation . . . . ((~~$14,531,000~~))
$20,116,000

Disaster Response Account--Federal Appropriation . . . ((~~$53,253,000~~))
$69,066,000

Military Department Rent and Lease Account--State
Appropriation . . . . . $615,000

Worker and Community Right-to-Know Account--State
Appropriation . . . . . ((~~$2,794,000~~))
$3,320,000

TOTAL APPROPRIATION . . . . . ((~~$273,568,000~~))
$295,519,000

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

(1) ((~~$14,531,000~~)) $20,116,000 of the disaster response account--state appropriation and ((~~$53,253,000~~)) $69,066,000 of the disaster response account--federal appropriation may be spent only on disasters declared by the governor and with the approval of the office of

financial management. The military department shall submit a report to the office of financial management and the legislative fiscal committees on October 1st and February 1st of each year detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2014-2015 biennium based on current revenue and expenditure patterns.

(2) ((~~$75,000,000~~)) $60,000,000 of the general fund--federal appropriation is provided solely for homeland security, subject to the following conditions:

(a) Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee; and

(b) The department shall submit an annual report to the office of financial management and the legislative fiscal committees detailing the governor's domestic security advisory group recommendations; homeland security revenues and expenditures, including estimates of total federal funding for the state; and incremental changes from the previous estimate.

**Sec. 143.** 2013 2nd sp.s. c 4 s 144 (uncodified) is amended to read as follows:

**FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,977,000~~))
$1,993,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$2,036,000~~))
$2,067,000

Higher Education Personnel Services Account--State
Appropriation . . . . . $521,000

Personnel Service Account--State Appropriation . . . . . ((~~$3,300,000~~))
$3,325,000

TOTAL APPROPRIATION . . . . . ((~~$7,834,000~~))
$7,906,000

**Sec. 144.** 2013 2nd sp.s. c 4 s 145 (uncodified) is amended to read as follows:

**FOR THE BOARD OF ACCOUNTANCY**

Certified Public Accountants' Account--State Appropriation . . . . . ((~~$2,699,000~~)) $2,701,000

**Sec. 145.** 2013 2nd sp.s. c 4 s 147 (uncodified) is amended to read as follows:

**FOR THE HORSE RACING COMMISSION**

Horse Racing Commission Operating Account--State Appropriation . . . . . ((~~$3,552,000~~)) $3,464,000

The appropriation in this section is subject to the following conditions and limitations: Pursuant to RCW 43.135.055, the commission is authorized to increase licensing fees by up to five percent in fiscal year 2014 and up to five percent in fiscal year 2015; and background check fees by up to one dollar in fiscal year 2014, and up to one dollar in fiscal year 2015.

**Sec. 146.** 2013 2nd sp.s. c 4 s 148 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$3,654,000~~)) $3,661,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$3,628,000~~)) $3,622,000

Building Code Council Account--State Appropriation . . . ((~~$1,227,000~~)) $1,225,000

Enterprise Services Account--State Appropriation . . . . . $2,400,000

Data Processing Revolving Account--State Appropriation . . . $7,062,000

TOTAL APPROPRIATION . . . . . ((~~$8,509,000~~)) $17,970,000

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

(1) $3,287,000 of the general fund--state appropriation for fiscal year 2014 and $3,286,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the payment of facilities and services charges, utilities and contracts charges, public and historic facilities charges, and capital projects surcharges allocable to the

senate, house of representatives, statute law committee, and joint legislative systems committee. The department shall allocate charges attributable to these agencies among the affected revolving funds. The department shall maintain an interagency agreement with these agencies to establish performance standards, prioritization of preservation and capital improvement projects, and quality assurance provisions for the delivery of services under this subsection. The legislative agencies named in this subsection shall continue to enjoy all of the same rights of occupancy and space use on the capitol campus as historically established.

(2) In accordance with RCW 46.08.172 and 43.135.055, the department is authorized to increase parking fees in fiscal years 2014 and 2015 as necessary to meet the actual costs of conducting business.

(3) The building code council account appropriation is provided solely for the operation of the state building code council as required by statute and modified by the standards established by executive order 10-06. The council shall not consider any proposed code amendment or take any other action not authorized by statute or in compliance with the standards established in executive order 10-06. No member of the council may receive compensation, per diem, or reimbursement for activities other than physical attendance at those meetings of the state building code council or the council's designated committees, at which the opportunity for public comment is provided generally and on all agenda items upon which the council proposes to take action. The building code council shall comply with chapter 19.85 RCW, known as the regulatory fairness act, by including with all proposed substantial code amendments an analysis addressing cost effectiveness, net benefits, payback periods, and life-cycle costs.

((~~(5)~~)) (4) The department of enterprise services shall purchase flags needed for ceremonial occasions on the capitol campus in order to fully represent the countries that have an international consulate in Washington state.

((~~(6)~~)) (5) Before any agency may purchase a passenger motor vehicle as defined in RCW 43.19.560, the agency must have written approval from the director of the department of enterprise services.

((~~(7)~~)) (6) $2,400,000 of the ((~~data processing revolving account~~)) enterprise services account--state appropriation is provided solely for the implementation of a pilot program to implement a strategy and

action plan to modernize the state's enterprise financial and administrative systems. The department, the office of financial management, and the office of the chief information officer, will lead the planning effort and establish advisory committees composed of key stakeholders. The plan will include an assessment of the readiness of state government to conduct a business transformation and system replacement project of this scale. The plan shall incorporate the objectives of lean management and should include recommendations on: Project scope, phasing and timeline, expected outcomes and measures of success, product strategy, budget and financing strategy options, risk mitigation, staffing and organization, and strategies to close readiness gaps. The department shall submit the implementation plan to the fiscal committees of the legislature by December 15, ((~~2013~~)) 2014.

The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

((~~(8) $8,013,000~~)) (7) $7,062,000 of the data processing revolving account--state appropriation is provided solely for the implementation of a pilot program to implement a time, leave, and attendance enterprise system. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

((~~(9)~~)) (8) From the fee charged to master contract vendors, the department shall transfer to the office of minority and women's business enterprises in equal monthly installments $2,039,000 in fiscal year 2014 and $2,038,000 in fiscal year 2015.

((~~(10)~~)) (9) The legislature intends to review for purchase parcel number one and surrounding property on McNeil Island. The department shall coordinate with the federal government to obtain an appraisal determining the fair market value and shall provide an estimate to the legislative fiscal committees by October 1, 2013.

**Sec. 147.** 2013 2nd sp.s. c 4 s 149 (uncodified) is amended to read as follows:

**FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

Volunteer Firefighters' and Reserve Officers'

Administrative Account--State Appropriation . . . . ((~~$1,044,000~~))
$966,000

**Sec. 148.** 2013 2nd sp.s. c 4 s 150 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,293,000~~))
$1,271,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,242,000~~))
$1,386,000

General Fund--Federal Appropriation . . . . . .((~~$1,950,000~~))
$2,073,000

General Fund--Private/Local Appropriation . . . . . $14,000

TOTAL APPROPRIATION . . . . . .((~~$4,499,000~~))
$4,744,000

NEW SECTION. **Sec. 149.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

**FOR THE GAMBLING COMMISSION**

Pursuant to RCW 43.135.055, the commission is authorized to increase license fees by up to five percent in fiscal year 2015.

(End of part)

## PART II
## HUMAN SERVICES

**Sec. 201.** 2013 2nd sp.s. c 4 s 201 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the

department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 213 of this act as may be necessary to finance a unified health care plan for the WMIP and the MICP program enrollment. The WMIP pilot projects shall not exceed a daily enrollment of 6,000 persons, nor expand beyond one county during the 2013-2015 fiscal biennium. The amount of funding assigned from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled, times the number of clients enrolled. In implementing the WMIP and the MICP, the health care authority and the department may: (i) Withhold from calculations of "available resources" as set forth in RCW 71.24.025 a sum equal to the capitated rate for enrolled individuals; and (ii) employ capitation financing and risk-sharing arrangements in collaboration with health care service contractors licensed by the office of the insurance commissioner and qualified to participate in both the medicaid and medicare programs.

(b) If Washington has been selected to participate in phase two of the federal demonstration project for persons dually-eligible for both medicare and medicaid, the department and the authority may initiate the MICP. Participation in the project shall be limited to persons who are eligible for both medicare and medicaid and to counties in which the county legislative authority has agreed to the terms and conditions under which it will operate. The purpose of the project shall be to demonstrate and evaluate ways to improve care while reducing state expenditures for persons enrolled both in medicare and medicaid. To that end, prior to initiating the project, the department and the authority shall assure that state expenditures shall be no greater on either a per person or total basis than the state would otherwise incur. Individuals who are solely eligible for medicaid may also participate if their participation is agreed to by the health care authority, the department, and the county legislative authority.

(4) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services

are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(5) The department shall to the maximum extent practicable use the same system for delivery of spoken-language interpreter services for social services appointments as the one established for medical appointments in section 213 of this act. When contracting directly with an individual to deliver spoken language interpreter services, the department shall only contract with language access providers who are working at a location in the state and who are state-certified or state-authorized, except that when such a provider is not available, the department may use a language access provider who meets other certifications or standards deemed to meet state standards, including interpreters in other states.

(6) The department shall facilitate enrollment under the medicaid expansion for clients applying for or receiving state funded services from the department and its contractors. Prior to open enrollment, the department shall coordinate with the health care authority to provide referrals to the Washington health benefit exchange for clients that will be ineligible for the medicaid expansion but are enrolled in coverage that will be eliminated in the transition to the medicaid expansion.

(7)(a) The appropriations to the department of social and health services in this act must be expended for the programs and in the amounts specified in this act. However, after May 1, 2014, unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2014 among programs after approval by the director of financial management. However, the department may not transfer state moneys that are provided solely for a specified purpose except as expressly provided in (b) of this subsection.

(b) To the extent that transfers under (a) of this subsection are insufficient to fund actual expenditures in excess of fiscal year 2014 caseload forecasts and utilization assumptions in the long-term care, foster care, adoptions support, medicaid personal care, and child support programs, the department may transfer state moneys that are provided solely for a specified purpose. The department may not

transfer funds, and the director of financial management may not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management may notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification must include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

**Sec. 202.** 2013 2nd sp.s. c 4 s 202 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$296,676,000~~))
$295,950,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$297,641,000~~))
$294,132,000

General Fund--Federal Appropriation . . . . . .((~~$489,939,000~~))
$490,514,000

General Fund--Private/Local Appropriation . . . . . .$1,354,000

Home Security Fund Account--State Appropriation . . . . . $10,741,000

Domestic Violence Prevention Account--State
Appropriation . . . . . $1,240,000

Child and Family Reinvestment Account--State
Appropriation . . . . . ((~~$6,491,000~~))
$3,330,000

TOTAL APPROPRIATION . . . . . .((~~$1,104,082,000~~))
$1,097,261,000

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

(1) Within amounts provided for the foster care and adoption support programs, the department shall control reimbursement decisions for foster care and adoption support cases such that the aggregate average cost per case for foster care and for adoption support does not exceed the amounts assumed in the projected caseload expenditures.

(2) $668,000 of the general fund--state appropriation for fiscal year 2014 and $668,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to contract for the operation of one pediatric interim care center. The center shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the center must be in need of special care as a result of substance abuse by their mothers. The center shall also provide on-site training to biological, adoptive, or foster parents. The center shall provide at least three months of consultation and support to the parents accepting placement of children from the center. The center may recruit new and current foster and adoptive parents for infants served by the center. The department shall not require case management as a condition of the contract.

(3) $538,500 of the general fund--state appropriation for fiscal year 2014, $539,500 of the general fund--state appropriation for fiscal year 2015, $656,000 of the general fund--private/local appropriation, and $253,000 of the general fund--federal appropriation are provided solely for children's administration to contract with an educational advocacy provider with expertise in foster care educational outreach. The amounts in this subsection are provided solely for contracted education coordinators to assist foster children in succeeding in K-12 and higher education systems and to assure a focus on education during the transition to performance based contracts. Funding shall be prioritized to regions with high numbers of foster care youth and/or regions where backlogs of youth that have formerly requested educational outreach services exist. The department shall utilize private matching funds to maintain educational advocacy services.

(4) $10,741,000 of the home security fund--state appropriation is provided solely for the department to contract for services pursuant to RCW 13.32A.030 and 74.15.220. The department shall contract and collaborate with service providers in a manner that maintains the availability and geographic representation of secure and semi-secure crisis residential centers and HOPE centers. To achieve efficiencies and increase utilization, the department shall allow the co-location of these centers, except that a youth may not be placed in a secure facility or the secure portion of a co-located facility except as specifically authorized by chapter 13.32A RCW. The reductions to appropriations in this subsection related to semi-secure crisis

residential centers reflect a reduction to the number of beds for semi-secure crisis residential centers and not a reduction in rates. Any secure crisis residential center or semi-secure crisis residential center bed reduction shall not be based solely upon bed utilization. The department is to exercise its discretion in reducing the number of beds but to do so in a manner that maintains availability and geographic representation of semi-secure and secure crisis residential centers.

(5) $125,000 of the general fund--state appropriation for fiscal year 2014 and $125,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a community-based organization that has innovated, developed, and replicated a foster care delivery model that includes a licensed hub home. The community-based organization will provide training and technical assistance to the children's administration to develop five hub home models in region 2 that will improve child outcomes, support foster parents, and encourage the least restrictive community placements for children.

(6) $73,000 of the general fund--state appropriation for fiscal year 2014, $20,000 of the general fund--state appropriation for fiscal year 2015, and $31,000 of the general fund--federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1566 (youth in out-of-home care). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(7) $88,000 of the general fund--state appropriation for fiscal year 2014, $2,000 of the general fund--state appropriation for fiscal year 2015, and $28,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed Substitute House Bill No. 1774 (child welfare system). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(8) ((~~$1,698,000~~)) $1,811,000 of the general fund--state appropriation for fiscal year 2014, ((~~$2,788,000~~)) $3,220,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$1,894,000~~)) $2,054,000 of the general fund--federal appropriation are provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5405 (extended foster care). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(9) $579,000 of the general fund--state appropriation for fiscal year 2014, $579,000 of the general fund--state appropriation for fiscal year 2015, and $109,000 of the general fund--federal appropriation are provided solely for a receiving care center east of the Cascade mountains.

(10)(a) $446,000 of the general fund--state appropriation for fiscal year 2014 and $446,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a contract with a nongovernmental entity or entities to establish one demonstration site in a school district or group of school districts in western Washington.

(b) The children's administration and the nongovernmental entity or entities shall collaboratively select the demonstration site. The demonstration site should be a school district or group of school districts with a significant number of students who are dependent pursuant to chapter 13.34 RCW.

(c) The demonstration site established under this subsection must be selected by September 1, 2013.

(d) The purpose of the demonstration site is to improve the educational outcomes of students who are dependent pursuant to chapter 13.34 RCW by providing individualized education services and monitoring and supporting dependent youths' completion of educational milestones, remediation needs, and special education needs.

(e) The demonstration site established under this subsection must facilitate the educational progress and graduation of dependent youth. The contract must be performance-based with a stated goal of improving the graduation rates of foster youth by two percent per year over five school year periods, starting with the 2014-15 school year and ending with the 2019-20 school year. The demonstration site must develop and provide services aimed at improving the educational outcomes of foster youth. These services must include:

(i) Direct advocacy for foster youth to eliminate barriers to educational access and success;

(ii) Consultation with department of social and health services case workers to develop educational plans for and with participating youth;

(iii) Monitoring education progress of participating youth;

(iv) Providing participating youth with school and local resources that may assist in educational access and success; and

(v) Coaching youth, caregivers, and social workers to advocate for dependent youth in the educational system.

(f) The contracted nongovernmental entity or entities must report demonstration site outcomes to the department of social and health services and the office of public instruction by June 30, 2014, for the 2013-14 school year, and by June 30, 2015, for the 2014-15 school year.

(g) The children's administration must proactively refer all students fifteen years or older, within the demonstration site area, to the selected nongovernmental entity for educational services.

(h) The children's administration must report quarterly to the legislature on the number of eligible youth and number of youth referred for services beginning at the close of the second quarter of fiscal year 2014 and through the final quarter of fiscal year 2015.

(i) The contracted nongovernmental entity or entities shall report to the legislature by June 30, 2015, on the effectiveness of the demonstration site in increasing graduation rates for dependent youth.

(11) $50,000 of the general fund--state appropriation for fiscal year 2014, and $50,000 of the general fund--state appropriation for fiscal year 2015, and $256,000 of the general fund--federal appropriation are provided solely for implementation of Substitute Senate Bill No. 5315 (Powell fatality team). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(12) $670,000 of the general fund--state appropriation for fiscal year 2014 and $670,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for services provided through children's advocacy centers.

(13)(a) $22,695,000 of the general fund--state appropriation for fiscal year 2014, $22,695,000 of the general fund--state appropriation for fiscal year 2015, and $28,450,000 of the general fund--federal appropriation are provided solely for services for children and families. Prior to approval of contract services pursuant to RCW 74.13B.020, the amounts provided in this section shall be allotted on a monthly basis and expenditures shall not exceed allotments based on a three-month rolling average without approval of the office of

financial management following notification to the legislative fiscal committees.

(b) The department shall provide these services to safely reduce the number of children in out-of-home care, the time spent in out-of-home care prior to achieving permanency, and the number of children returning to out-of-home care following permanency.

(14) $1,783,000 of the general fund--state appropriation for fiscal year 2015, ((~~$6,491,000~~)) $3,330,000 of the child and family reinvestment account--state appropriation, and ((~~$8,274,000~~)) $11,435,000 of the general fund--federal appropriation, are provided solely for the implementation and operations of the family assessment response program.

**Sec. 203.** 2013 2nd sp.s. c 4 s 203 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE REHABILITATION PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$89,967,000~~)) $90,420,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$90,255,000~~)) $90,241,000

General Fund--Federal Appropriation . . . . . $3,464,000

General Fund--Private/Local Appropriation . . . . . ((~~$1,981,000~~)) $1,980,000

Washington Auto Theft Prevention Authority Account--
State Appropriation . . . . . $196,000

Reinvesting in Youth--State Appropriation . . . . . $383,000

Juvenile Accountability Incentive Account--Federal
Appropriation . . . . . $2,801,000

TOTAL APPROPRIATION . . . . . ((~~$189,047,000~~)) $189,485,000

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

(1) $331,000 of the general fund--state appropriation for fiscal year 2014 and $331,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997

(juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) $2,716,000 of the general fund--state appropriation for fiscal year 2014 and $2,716,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(3) $3,482,000 of the general fund--state appropriation for fiscal year 2014 and $3,482,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(4) $1,130,000 of the general fund--state appropriation for fiscal year 2014 and $1,130,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(5) $3,123,000 of the general fund--state appropriation for fiscal year 2014 and $3,123,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for grants to county juvenile courts for the following programs identified by the Washington state institute for public policy (institute) in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Functional family therapy, multi-systemic therapy, aggression replacement training and interagency coordination programs, or other programs with a

positive benefit-cost finding in the institute's report. County juvenile courts shall apply to the juvenile rehabilitation administration for funding for program-specific participation and the administration shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

(6) $1,537,000 of the general fund--state appropriation for fiscal year 2014 and $1,537,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for expansion of the following treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its October 2006 report: "Evidence-Based Public Policy Options to Reduce Future Prison Construction, Criminal Justice Costs and Crime Rates": Multidimensional treatment foster care, family integrated transitions, and aggression replacement training, or other programs with a positive benefit-cost finding in the institute's report. The administration may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(7)(a) The juvenile rehabilitation administration shall administer a block grant, rather than categorical funding, of consolidated juvenile service funds, community juvenile accountability act grants, the chemical dependency disposition alternative funds, the mental health disposition alternative, and the sentencing disposition alternative for the purpose of serving youth adjudicated in the juvenile justice system. In making the block grant, the juvenile rehabilitation administration shall follow the following formula and will prioritize evidence-based programs and disposition alternatives and take into account juvenile courts program-eligible youth in conjunction with the number of youth served in each approved evidence-based program or disposition alternative: (i) Thirty-seven and one-half percent for the at-risk population of youth ten to seventeen years old; (ii) fifteen percent for moderate and high-risk youth; (iii) twenty-five percent for evidence-based program participation; (iv) seventeen and one-half percent for minority populations; (v) three percent for the chemical dependency disposition alternative; and (vi) two percent for the mental health and sentencing dispositional alternatives. Funding for the special sex offender disposition alternative (SSODA) shall not be included in the block grant, but

allocated on the average daily population in juvenile courts. Funding for the evidence-based expansion grants shall be excluded from the block grant formula. Funds may be used for promising practices when approved by the juvenile rehabilitation administration and juvenile courts, through the community juvenile accountability act committee, based on the criteria established in consultation with Washington state institute for public policy and the juvenile courts.

(b) The juvenile rehabilitation administration and the juvenile courts shall establish a block grant funding formula oversight committee with equal representation from the juvenile rehabilitation administration and the juvenile courts. The purpose of this committee is to assess the ongoing implementation of the block grant funding formula, utilizing data-driven decision making and the most current available information. The committee will be cochaired by the juvenile rehabilitation administration and the juvenile courts, who will also have the ability to change members of the committee as needed to achieve its purpose. Initial members will include one juvenile court representative from the finance committee, the community juvenile accountability act committee, the risk assessment quality assurance committee, the executive board of the Washington association of juvenile court administrators, the Washington state center for court research, and a representative of the superior court judges association; two representatives from the juvenile rehabilitation administration headquarters program oversight staff, two representatives of the juvenile rehabilitation administration regional office staff, one representative of the juvenile rehabilitation administration fiscal staff and a juvenile rehabilitation administration division director. The committee may make changes to the formula categories other than the evidence-based program and disposition alternative categories if it is determined the changes will increase statewide service delivery or effectiveness of evidence-based program or disposition alternative resulting in increased cost benefit savings to the state. Long-term cost benefit must be considered. Percentage changes may occur in the evidence-based program or disposition alternative categories of the formula should it be determined the changes will increase evidence-based program or disposition alternative delivery and increase the cost benefit to the state. These outcomes will also be considered in determining when

evidence-based expansion or special sex offender disposition alternative funds should be included in the block grant or left separate.

(c) The juvenile courts and administrative office of the courts shall be responsible for collecting and distributing information and providing access to the data systems to the juvenile rehabilitation administration and the Washington state institute for public policy related to program and outcome data. The juvenile rehabilitation administration and the juvenile courts will work collaboratively to develop program outcomes that reinforce the greatest cost benefit to the state in the implementation of evidence-based practices and disposition alternatives.

(8) The juvenile courts and administrative office of the courts shall collect and distribute information related to program outcome and provide access to these data systems to the juvenile rehabilitation administration and Washington state institute for public policy. The agreements between administrative office of the courts, the juvenile courts, and the juvenile rehabilitation administration shall be executed to ensure that the juvenile rehabilitation administration receives the data that the juvenile rehabilitation administration identifies as needed to comply with this subsection. This includes, but is not limited to, information by program at the statewide aggregate level, individual court level, and individual client level for the purpose of the juvenile rehabilitation administration providing quality assurance and oversight for the locally committed youth block grant and associated funds and at times as specified by the juvenile rehabilitation administration as necessary to carry out these functions. The data shall be provided in a manner that reflects the collaborative work the juvenile rehabilitation administration and juvenile courts have developed regarding program outcomes that reinforce the greatest cost benefit to the state in the implementation of evidence-based practices and disposition alternatives.

(9) $445,000 of the general fund--state appropriation for fiscal year 2014 and $445,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for funding of the teamchild project.

(10) $178,000 of the general fund--state appropriation for fiscal

year 2014 and $178,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the juvenile detention alternatives initiative.

(11) $250,000 of the general fund--state appropriation for fiscal year 2014 and $250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant program focused on criminal street gang prevention and intervention. The Washington state partnership council on juvenile justice may award grants under this subsection. The council shall give priority to applicants who have demonstrated the greatest problems with criminal street gangs. Applicants composed of, at a minimum, one or more local governmental entities and one or more nonprofit, nongovernmental organizations that have a documented history of creating and administering effective criminal street gang prevention and intervention programs may apply for funding under this subsection.

**Sec. 204.** 2013 2nd sp.s. c 4 s 204 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH PROGRAM**

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund--State Appropriation (FY 2014) . . . . . ((~~$327,467,000~~))
$327,737,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$308,723,000~~))
$320,338,000

General Fund--Federal Appropriation . . . . . .((~~$561,394,000~~))
$632,421,000

General Fund--Private/Local Appropriation . . . . . $17,864,000

TOTAL APPROPRIATION . . . . . .((~~$1,215,448,000~~))
$1,298,360,000

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

(a) $104,999,000 of the general fund--state appropriation for fiscal year 2014 and $85,895,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for persons and services not covered by the medicaid program. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: Crisis and commitment services; community

inpatient services; and residential care services, including personal care and emergency housing assistance. This is a reduction in flexible nonmedicaid funding of $4,343,000 for fiscal year 2014 and $23,446,000 for fiscal year 2015. This reduction reflects offsets in state funding related to services that will now be funded with federal dollars through the affordable care act medicaid expansion. This reduction shall be distributed as follows:

(i) The $4,343,000 reduction in fiscal year 2014 and $11,723,000 of the reduction in fiscal year 2015 must be distributed among regional support networks based on a formula that equally weights each regional support networks proportion of individuals who become newly eligible and enroll in medicaid under the expansion provisions of the affordable care act in fiscal year 2014 and each regional support network's spending of flexible nonmedicaid funding on services that would be reimbursable for federal medicaid matching funds if provided to medicaid enrollees in the 2011-2013 fiscal biennium.

(ii) The remaining $11,723,000 reduction in fiscal year 2015 must be distributed among regional support networks based on each regional support network's proportion of individuals who become newly eligible and enroll in medicaid under the expansion provisions of the affordable care act through fiscal year 2015.

(b) $6,590,000 of the general fund--state appropriation for fiscal year 2014, $6,590,000 of the general fund--state appropriation for fiscal year 2015, and $7,620,000 of the general fund--federal appropriation are provided solely for the department and regional support networks to continue to contract for implementation of high-intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to regional support networks with PACT teams, the department shall consider the differences between regional support networks in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The department may allow regional support networks which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under section 204(1)(a) of this act. The department and regional support networks shall maintain consistency with all essential elements of the

PACT evidence-based practice model in programs funded under this section.

(c) $5,850,000 of the general fund--state appropriation for fiscal year 2014, $5,850,000 of the general fund--state appropriation for fiscal year 2015, and $1,300,000 of the general fund--federal appropriation are provided solely for the western Washington regional support networks to provide either community- or hospital campus-based services for persons who require the level of care previously provided by the program for adaptive living skills (PALS) at western state hospital.

(d) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 557 per day.

(e) From the general fund--state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and disability services administration for the general fund--state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

(f) The department is authorized to continue to contract directly, rather than through contracts with regional support networks, for children's long-term inpatient facility services.

(g) $750,000 of the general fund--state appropriation for fiscal year 2014 and $750,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who were discharged from the state hospitals as part of the expanding community services initiative. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

(h) $1,125,000 of the general fund--state appropriation for fiscal year 2014 and $1,125,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Spokane regional support network to implement services to reduce utilization and the census at eastern state hospital. Such services shall include:

(i) High intensity treatment team for persons who are high utilizers of psychiatric inpatient services, including those with co-occurring disorders and other special needs;

(ii) Crisis outreach and diversion services to stabilize in the community individuals in crisis who are at risk of requiring inpatient care or jail services;

(iii) Mental health services provided in nursing facilities to individuals with dementia, and consultation to facility staff treating those individuals; and

(iv) Services at the sixteen-bed evaluation and treatment facility. At least annually, the Spokane regional support network shall assess the effectiveness of these services in reducing utilization at eastern state hospital, identify services that are not optimally effective, and modify those services to improve their effectiveness.

(i) $1,529,000 of the general fund--state appropriation for fiscal year 2014 and $1,529,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to reimburse Pierce and Spokane counties for the cost of conducting 180-day commitment hearings at the state psychiatric hospitals.

(j) Regional support networks may use local funds to earn additional federal medicaid match, provided the locally matched rate does not exceed the upper-bound of their federally allowable rate range, and provided that the enhanced funding is used only to provide medicaid state plan or waiver services to medicaid clients. Additionally, regional support networks may use a portion of the state funds allocated in accordance with (a) of this subsection to earn additional medicaid match, but only to the extent that the application of such funds to medicaid services does not diminish the level of crisis and commitment, community inpatient, residential care, and outpatient services presently available to persons not eligible for medicaid.

(k) $3,436,000 of the general fund--state appropriation for fiscal year 2014 and $2,291,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement.

(l) $523,000 of the general fund--state appropriation for fiscal year 2014, $775,000 of the general fund--state appropriation for fiscal year 2015, and $854,000 of the general fund--federal appropriation are provided solely for implementation of sections 3 through 5 of chapter 289, Laws of 2013 (E2SHB 1114). Regional support networks must use this funding for the development of intensive community programs that allow individuals to be diverted or transitioned from the state hospitals in accordance with plans approved by the department.

(m) $5,986,000 of the general fund--state appropriation for fiscal year 2014, $11,592,000 of the general fund--state appropriation for fiscal year 2015, and $10,160,000 of the general fund--federal appropriation are provided solely for implementation of chapter 335, Laws of 2013 (ESSB 5480). Regional support networks must use this funding for the development of intensive community programs that allow individuals to be diverted or transitioned from the state hospitals in accordance with plans approved by the department.

(n) Due to recent approval of federal medicaid matching funds for the disability lifeline and the alcohol and drug abuse treatment support act programs, the department shall charge regional support networks for only the state share rather than the total cost of community psychiatric hospitalization for persons enrolled in those programs.

(o) The legislature finds that the circumstances of the Chelan-Douglas regional support network (CD-RSN) make it necessary for CD-RSN to undergo restructuring in order to provide mental health services essential to the health and wellness of the citizens within its service area. The legislature intends to provide additional temporary financial relief to the CD-RSN while it undergoes internal restructuring or negotiates a merger with another regional support network.

The department shall negotiate relief for outstanding fiscal year 2013 reimbursements owed by CD-RSN to the state provided that the CD-RSN has a plan in place that is approved by the department by August 1, 2013, that demonstrates how CD-RSN will maintain financial viability and stability or will merge with another regional support network.

For the period of July 1, 2013, through December 31, 2013, the department may alter collection of reimbursement from CD-RSN for overuse of state hospital beds. To receive a reduction to the required

reimbursement for overuse of state hospital beds, CD-RSN must continue to prioritize services that reduce its utilization and census at eastern state hospital and be actively implementing an approved plan to maintain financial viability or pursuing a future merger with another regional support network. Up to $298,000 of the general fund--state appropriation for fiscal year 2014 is for the department to provide payments to regional support networks in eastern Washington which have used less than their allocated or contracted patient days of care at the state hospital to replace the share of the reimbursements from CD-RSN that the regional support networks would have received under RCW 71.24.320.

(p) $266,000 of the general fund--state appropriation for fiscal year 2014 is provided solely to maintain services for the King county regional support network as it works to transition services to settings that are eligible for federal participation for individuals covered under the medicaid program.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2014) . . . . . ((~~$135,246,000~~))
$146,662,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$131,863,000~~))
$138,707,000

General Fund--Federal Appropriation . . . . . .((~~$150,863,000~~))
$152,714,000

General Fund--Private/Local Appropriation . . . . . ((~~$63,097,000~~))
$58,530,000

TOTAL APPROPRIATION . . . . . .((~~$481,069,000~~))
$496,613,000

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

(a) The state psychiatric hospitals may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(b) $231,000 of the general fund--state appropriation for fiscal year 2014 and $231,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a community partnership between western state hospital and the city of Lakewood to support community policing efforts in the Lakewood community surrounding western state hospital. The amounts provided in this subsection (2)(b)

are for the salaries, benefits, supplies, and equipment for one full-time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood.

(c) $45,000 of the general fund--state appropriation for fiscal year 2014 and $45,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(d) $20,000,000 of the general fund--state appropriation for fiscal year 2014 and $20,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to maintain staffed capacity to serve an average daily census in forensic wards at western state hospital of 270 patients per day.

(e) ((~~$2,068,000~~)) $6,194,000 of the general fund--state appropriation for fiscal year 2014, $2,066,000 of the general fund--state appropriation for fiscal year 2015, and $240,000 of the general fund--federal appropriation are provided solely for the state psychiatric hospitals to plan, procure, and implement the core elements of an electronic medical record system that is compliant with the international classification of diseases (ICD-10) by October 1, 2014. These funds must only be used for an electronic medical record system that meets federal criteria for electronic sharing of patient information and clinical care summaries with doctors' offices, hospitals, and health systems which use federally certified electronic health record systems. The procurement and implementation shall be conducted to allow for these services to be expanded to the department of corrections. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(3) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2014) . . . . . ((~~$1,609,000~~))
$1,612,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$1,610,000~~))
$1,613,000

General Fund--Federal Appropriation . . . . . $6,286,000

TOTAL APPROPRIATION . . . . . ((~~$9,505,000~~))
$9,511,000

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

(a) $1,161,000 of the general fund--state appropriation for fiscal year 2014 and $1,161,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for children's evidence-based mental health services.

(b) $446,000 of the general fund--state appropriation for fiscal year 2014, $446,000 of the general fund--state appropriation for fiscal year 2015, and $178,000 of the general fund--federal appropriation are provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices. The institute must work with the department to develop a plan to seek private, federal, or other grant funding in order to reduce the need for state general funds. The institute and the department must submit this plan to the office of financial management and the fiscal committees of the legislature by December 1, 2013.

(4) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2014) . . . . . ((~~$5,287,000~~))
$6,153,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$4,777,000~~))
$7,385,000

General Fund--Federal Appropriation . . . . . ((~~$7,711,000~~))
$9,570,000

General Fund--Private/Local Appropriation . . . . . $502,000

TOTAL APPROPRIATION . . . . . ((~~$18,277,000~~))
$23,610,000

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

(a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to adopt license and certification fees in fiscal years 2014 and 2015 to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the

commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower costs of licensing for these programs than for other organizations which are not accredited.

(b) $74,000 of the general fund--state appropriation for fiscal year 2014, $74,000 of the general fund--state appropriation for fiscal year 2015, and $78,000 of the general fund--federal appropriation are provided solely for implementation of chapter 335, Laws of 2013 (ESSB 5480).

(c) $160,000 of the general fund--state appropriation for fiscal year 2014 and $80,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of chapter 284, Laws of 2013 (ESSB 5551).

(d) In developing the new medicaid managed care rates under which the public mental health managed care system will operate, the department must seek to estimate the reasonable and necessary cost of efficiently and effectively providing a comparable set of medically necessary mental health benefits to persons of different acuity levels regardless of where in the state they live. The department must report to the office of financial management and to the relevant fiscal and policy committees of the legislature on its proposed new mental health managed care rate-setting approach by August 1, 2013, and again at least sixty days prior to implementation of new capitation rates.

(e) $349,000 of the general fund--state appropriation for fiscal year 2014, $212,000 of the general fund--state appropriation for fiscal year 2015, and $302,000 of the general fund--federal appropriation are provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

(f) The department shall work cooperatively with the health care authority to explore the feasibility of incentivizing small, rural hospitals to convert, in part or fully, some of their beds to psychiatric treatment beds. No later than December 31, 2014, the department shall report to the appropriate fiscal committees of the legislature on the feasibility of such conversion. The report shall consider rate enhancements and the ability to claim federal medicaid matching funds on converted beds.

(g) $75,000 of the general fund--state appropriation for fiscal year 2014 and $21,000 of the general fund--federal appropriation are provided for implementation of section 9, chapter 197, Laws of 2013 (ESHB 1336). The department must utilize these funds for mental health first aid training targeted at teachers and educational staff in accordance with the training model developed by the department of psychology in Melbourne, Australia.

(h) Within the amounts appropriated in this section, funding is provided for the department to continue to develop the child adolescent needs and strengths assessment tool and build workforce capacity to provide evidence based wraparound services for children, consistent with the anticipated settlement agreement in *T.R. v. Dreyfus and Porter*.

**Sec. 205.** 2013 2nd sp.s. c 4 s 205 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM**

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2014) . . . . . ((~~$439,963,000~~))
$446,723,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$458,131,000~~))
$466,323,000

General Fund--Federal Appropriation . . . . . .((~~$820,769,000~~))
$823,737,000

General Fund--Private/Local Appropriation . . . . . ((~~$21,000~~))
$982,000

TOTAL APPROPRIATION . . . . . .((~~$1,718,884,000~~))
$1,737,765,000

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

(a) Individuals receiving services as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and 43.135.055, the department is authorized to increase nursing facility, assisted living facility, and adult family home fees as necessary to

fully support the actual costs of conducting the licensure, inspection, and regulatory programs. The license fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(i) The current annual renewal license fee for adult family homes shall be increased to $225 per bed beginning in fiscal year 2014 and $225 per bed beginning in fiscal year 2015. A processing fee of $2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable.

(ii) The current annual renewal license fee for assisted living facilities shall be increased to $106 per bed beginning in fiscal year 2014 and $106 per bed beginning in fiscal year 2015.

(iii) The current annual renewal license fee for nursing facilities shall be increased to $359 per bed beginning in fiscal year 2014 and $359 per bed beginning in fiscal year 2015.

(c) $13,301,000 of the general fund--state appropriation for fiscal year 2014, $20,607,000 of the general fund--state appropriation for fiscal year 2015, and $33,910,000 of the general fund federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw through an interest arbitration decision under the provisions of chapters 74.39A and 41.56 RCW for the 2013-2015 fiscal biennium.

(d) $6,244,000 of the general fund--state appropriation for fiscal year 2014 and $6,244,000 of the general fund--state appropriation for fiscal year 2015 are appropriated solely for the individual and family support program. Within these amounts, the department shall expand the current number of clients receiving services and focus on extending services to individuals with developmental disabilities who are not otherwise receiving paid services from the department.

((~~(f) $1,547,000~~)) (e) $774,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$4,790,000~~)) $2,395,000 of the general fund--federal appropriation are provided solely for a payment system that satisfies medicaid requirements regarding time reporting for W-2 providers. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the

project management oversight standards and policies established by the office of the chief information officer.

((~~(g)~~)) (f) $1,707,000 of the general fund--state appropriation for fiscal year 2014, $2,670,000 of the general fund--state appropriation for fiscal year 2015, and $4,376,000 of the general fund--federal appropriation are provided solely for the homecare agency parity impacts of the service employees international union healthcare 775nw arbitration award.

((~~(h)~~)) (g) The department is authorized to establish limited exemption criteria in rule to address RCW 74.39A.325 when a landline phone is not available to the employee.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2014) . . . . . ((~~$85,261,000~~))
$86,682,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$84,980,000~~))
$86,059,000

General Fund--Federal Appropriation . . . . . .((~~$160,021,000~~))
$162,793,000

General Fund--Private/Local Appropriation . . . . . $23,041,000

TOTAL APPROPRIATION . . . . . .((~~$353,303,000~~))
$358,575,000

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

(a) Individuals receiving services as supplemental security income (SSI) state supplemental payments shall not become eligible for medical assistance under RCW 74.09.510 due solely to the receipt of SSI state supplemental payments.

(b) $721,000 of the general fund--state appropriation for fiscal year 2014 and $721,000 of the general fund--state appropriation for fiscal year 2015 are for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,943,000~~))
$1,975,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,993,000~~))
$2,013,000
General Fund--Federal Appropriation . . . . . .((~~$1,957,000~~))
$2,061,000
TOTAL APPROPRIATION . . . . . .((~~$5,893,000~~))
$6,049,000

(4) SPECIAL PROJECTS
General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,400,000~~))
$1,403,000
General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,400,000~~))
$1,403,000
General Fund--Federal Appropriation . . . . . .((~~$1,200,000~~))
$1,206,000
TOTAL APPROPRIATION . . . . . .((~~$4,000,000~~))
$4,012,000

**Sec. 206.** 2013 2nd sp.s. c 4 s 206 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT SERVICES PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$869,628,000~~))
$866,977,000
General Fund--State Appropriation (FY 2015) . . . . . ((~~$923,218,000~~))
$920,439,000
General Fund--Federal Appropriation . . . . . .((~~$1,934,089,000~~))
$1,913,143,000
General Fund--Private/Local Appropriation . . . . . ((~~$30,122,000~~))
$34,223,000
Traumatic Brain Injury Account--State
Appropriation . . . . . ((~~$3,393,000~~))
$3,392,000
Skilled Nursing Facility Safety Net Trust Account--State
Appropriation . . . . . ((~~$88,000,000~~))
$102,589,000
TOTAL APPROPRIATION . . . . . .((~~$3,848,450,000~~))
$3,840,763,000

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

(1) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed $171.35 for fiscal year 2014 and shall not exceed ((~~$171.58~~)) $179.47 for fiscal year 2015, including the rate add-ons described in (a) and (b) of this subsection. However, if the waiver requested from the federal centers for medicare and medicaid services in relation to the safety net assessment is for any reason disapproved, the weighted average nursing facility payment rate shall not exceed $162.43 for fiscal year 2014 and shall not exceed $163.58 for fiscal year 2015. There will be no adjustments for economic trends and conditions in fiscal years 2014 and 2015. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors defined in any other biennial appropriations acts before applying it to the component rate allocations established in accordance with chapter 74.46 RCW. When no economic trends and conditions factor for either fiscal year is defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the component rate allocations established in accordance with chapter 74.46 RCW.

(a) For fiscal year 2014 within the funds provided, the department shall continue to provide an add-on per medicaid resident day per facility not to exceed $1.57. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than $15 in calendar year 2008, according to cost report data. For fiscal year 2015 within funds provided, the department shall continue to provide an add-on per medicaid resident day per facility not to exceed $3.15. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than $17 in calendar year 2012, according to cost report data. The add-on may also be used to address resulting wage compression for related job classes immediately affected by wage increases to low-wage workers. The

department shall continue reporting requirements and a settlement process to ensure that the funds are spent according to this subsection.

(b) The department shall do a comparative analysis of the facility-based payment rates calculated on July 1, 2013, using the payment methodology defined in chapter 74.46 RCW and as funded in the omnibus appropriations act, excluding the comparative add-on, acuity add-on, and safety net reimbursement, to the facility-based payment rates in effect June 30, 2010. If the facility-based payment rate calculated on July 1, 2013, is smaller than the facility-based payment rate on June 30, 2010, then the difference shall be provided to the individual nursing facilities as an add-on payment per medicaid resident day.

(c) During the comparative analysis performed in subsection (b) of this section, if it is found that the direct care rate for any facility calculated using the payment methodology defined in chapter 74.46 RCW and as funded in the omnibus appropriations act, excluding the comparative add-on, acuity add-on, and safety net reimbursement, is greater than the direct care rate in effect on June 30, 2010, then the facility shall receive a ten percent direct care rate add-on to compensate that facility for taking on more acute clients than they have in the past.

(d) The department shall provide a medicaid rate add-on to reimburse the medicaid share of the skilled nursing facility safety net assessment as a medicaid allowable cost. The nursing facility safety net rate add-on may not be included in the calculation of the annual statewide weighted average nursing facility payment rate.

(e) The rate add-on provided in (c) of this subsection is subject to the reconciliation and settlement process provided in RCW 74.46.022(6).

(f) If the waiver requested from the federal centers for medicare and medicaid services in relation to the safety net assessment is for any reason disapproved, (b), (c), and (d) of this subsection do not apply.

(2) In accordance with chapter 74.46 RCW, the department shall issue no additional certificates of capital authorization for fiscal year 2014 and no new certificates of capital authorization for fiscal year 2015 and shall grant no rate add-ons to payment rates for capital

improvements not requiring a certificate of need and a certificate of capital authorization for fiscal years 2014 and 2015.

(3) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and 43.135.055, the department is authorized to increase nursing facility, assisted living facility, and adult family home fees as necessary to fully support the actual costs of conducting the licensure, inspection, and regulatory programs. The license fees may not exceed the department's annual licensing and oversight activity costs and shall include the department's cost of paying providers for the amount of the license fee attributed to medicaid clients.

(a) The current annual renewal license fee for adult family homes shall be increased to $225 per bed beginning in fiscal year 2014 and $225 per bed beginning in fiscal year 2015. A processing fee of $2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable.

(b) The current annual renewal license fee for assisted living facilities shall be increased to $106 per bed beginning in fiscal year 2014 and $106 per bed beginning in fiscal year 2015.

(c) The current annual renewal license fee for nursing facilities shall be increased to $359 per bed beginning in fiscal year 2014 and $359 per bed beginning in fiscal year 2015.

(4) The department is authorized to place long-term care clients residing in nursing homes and paid for with state only funds into less restrictive community care settings while continuing to meet the client's care needs.

(5) $30,640,000 of the general fund--state appropriation for fiscal year 2014, $48,633,000 of the general fund--state appropriation for fiscal year 2015, and $79,273,000 of the general fund--federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw through an interest arbitration decision under the provisions of chapters 74.39A and 41.56 RCW for the 2013-2015 fiscal biennium.

(6) $1,840,000 of the general fund--state appropriation for fiscal year 2014 and $1,877,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for operation of the volunteer services program. Funding shall be prioritized towards serving

populations traditionally served by long-term care services to include senior citizens and persons with disabilities.

(7) ((~~$4,894,000~~)) $2,447,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$15,150,000~~)) $7,575,000 of the general fund--federal appropriation are provided solely for a payment system that satisfies medicaid requirements regarding time reporting for W-2 providers. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(8) The department is authorized to establish limited exemption criteria in rule to address RCW 74.39A.325 when a landline phone is not available to the employee.

(9) Within the amounts appropriated in this section, in a report to the appropriate fiscal committees of the legislature that must be submitted by December 1, 2013, the department of social and health services must describe the process for establishing medicaid rates for assisted living and adult family homes. The report must include information about licensing and physical plant standards, contracting provisions, and per capita and biennial expenditures for assisted living and adult family homes.

(10) $10,800,000 of the general fund--state appropriation for fiscal year 2014, $17,768,000 of the general fund--state appropriation for fiscal year 2015, and $28,567,000 of the general fund--federal appropriation are provided solely for the homecare agency parity impacts of the service employees international union healthcare 775nw arbitration award.

(11) $33,000 of the general fund--state appropriation for fiscal year 2014, $17,000 of the general fund--state appropriation for fiscal year 2015, and $50,000 of the general fund--federal appropriation are provided solely for staffing and other expenses associated with the work of the joint legislative executive committee on planning for aging and disability issues that is established by this subsection.

(a) A joint legislative executive committee on aging and disability is established, with members as provided in this subsection.

(i) Four members of the senate, with the leaders of the two largest caucuses each appointing two members. Four members of the house of

representatives, with the leaders of the two largest caucuses each appointing two members;

(ii) A member from the office of the governor, appointed by the governor;

(iii) The secretary of the department of social and health services or his or her designee;

(iv) The director of the health care authority or his or her designee; and

(v) The director of the department of retirement systems or his or her designee.

(b) The committee must convene by September 1, 2013. At the first meeting, the committee will select cochairs from among its members who are legislators. All meetings of the committee are open to the public.

(c) The purpose of the committee is to identify key strategic actions to prepare for the aging of the population in Washington, including state budget and policy options, by conducting at least, but not limited to, the following tasks:

(i) Establish a profile of Washington's current population of older people and people with disabilities and a projection of population growth through 2030;

(ii) Establish an inventory of services and supports currently available to older people and people with disabilities from the health care and long-term services and support systems and other community resources such as housing, transportation, income support, and protection for vulnerable adults;

(iii) Identify state budget and policy options to more effectively use state, federal and private resources to, over time, reduce the growth rate in state expenditures that would otherwise occur by continuing current policy in light of significant population growth;

(iv) Identify strategies to better serve the health care needs of an aging population and people with disabilities, and promote healthy living;

(v) Identify policy options to create financing mechanisms for long-term services and supports that will promote additional private responsibility for individuals and families to meet their needs for service;

(vi) Identify policies to promote financial security in retirement,

support people who wish to stay in the workplace longer, and expand the availability of workplace retirement savings plans; and

(vii) Identify policy options to help communities adapt to the aging demographic in planning for housing, land use and transportation.

(d) The committee shall consult with the office of the insurance commissioner, the caseload forecast council, health care authority, and other appropriate entities with specialized knowledge of the needs and growth trends of the aging population and people with disabilities.

(e) Staff support for the committee shall be provided by the office of program research, senate committee services, the office of financial management, and the department of social and health services.

(f) Within existing appropriations, the cost of meetings must be paid jointly by the senate, house of representatives, and the office of financial management. Joint committee expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees. The joint committee members may be reimbursed for travel expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter 44.04 RCW as appropriate. Advisory committee members may not receive compensation or reimbursement for travel and expenses.

(g) The committee shall issue an interim report to the legislature by December 10, 2013, and issue final recommendations to the governor and relevant standing committees of the legislature by December 10, 2014.

(12) $240,000 of the general fund--state appropriation for fiscal year 2014, $1,342,000 of the general fund--state appropriation for fiscal year 2015, and $1,468,000 of the general fund--federal appropriation are provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

(13) The department shall review the capital add-on rate established by RCW 74.39A.320 for effectiveness in incentivizing assisted living facilities to serve Medicaid eligible clients. Upon completing its review, the department shall submit its findings along with recommendations for alternatives to the office of financial management and the fiscal committees of the legislature by December 1, 2013. The department is encouraged to engage stakeholders in developing alternatives.

(14) $239,000 of the general fund--state appropriation for fiscal year 2014, $160,000 of the general fund--state appropriation for fiscal year 2015, and $398,000 of the general fund--federal appropriation are provided solely to implement chapter 300, Laws of 2013 (SSB 5630).

(15) $5,094,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for services and support to individuals who are deaf, hard of hearing, or deaf-blind.

**Sec. 207.** 2013 2nd sp.s. c 4 s 207 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$402,504,000~~)) $392,331,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$405,019,000~~)) $407,112,000

General Fund--Federal Appropriation . . . . . .((~~$1,211,774,000~~)) $1,249,156,000

General Fund--Private/Local Appropriation . . . . . ((~~$30,594,000~~)) $36,450,000

TOTAL APPROPRIATION . . . . . .((~~$2,049,891,000~~)) $2,085,049,000

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

(1)(a) ((~~$178,757,000~~)) $164,971,000 of the general fund--state appropriation for fiscal year 2014, ((~~$172,999,000~~)) $174,653,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$732,881,000~~)) $759,648,000 of the general fund--federal appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. The department must create a WorkFirst budget structure that allows for transparent tracking of budget units and subunits of expenditures where these units and subunits are mutually exclusive from other department budget units. The budget structure must include budget units for the following: Cash assistance, child care, WorkFirst activities, and administration of the program. Within these budget units, the department must develop

program index codes for specific activities and develop allotments and track expenditures using these codes. The department shall report to the office of financial management and the relevant fiscal and policy committees of the legislature prior to adopting the new structure. The secretary of the department of social and health services, working with WorkFirst partner agencies and in collaboration with the WorkFirst oversight task force, shall develop a plan for maximizing the following outcomes and shall report back to the legislature by November 1, 2013. The outcomes to be measured are: (i) Increased employment; (ii) completion of education or post-secondary training; (iii) completion of barrier removal activity including drug and alcohol or mental health treatment; (iv) housing stability; (v) child care or education stability for the children of temporary assistance for needy families recipients; (vi) reduced rate of return after exit from the WorkFirst program; and (vii) work participation requirements.

(b) ((~~$406,818,000~~)) $391,294,000 of the amounts in (a) of this subsection are provided solely for assistance to clients, including grants, diversion cash assistance, and additional diversion emergency assistance including but not limited to assistance authorized under RCW 74.08A.210. The department may use state funds to provide support to working families that are eligible for temporary assistance for needy families but otherwise not receiving cash assistance.

(c) ((~~$168,019,000~~)) $176,554,000 of the amounts in (a) of this subsection are provided solely for WorkFirst job search, education and training activities, barrier removal services, limited English proficiency services, and tribal assistance under RCW 74.08A.040. The department must allocate this funding based on client outcomes and cost effectiveness measures.

(d) ((~~$367,676,000~~)) $372,572,000 of the amounts in (a) of this subsection are provided solely for the working connections child care program under RCW 43.215.135.

(e) ((~~$142,124,000~~)) $158,851,000 of the amounts in (a) of this subsection are provided solely for WorkFirst and working connections child care administration and overhead.

(f) The amounts in (b) through ((~~(d)~~)) (e) of this subsection shall be expended for the programs and in the amounts specified. However, the department may transfer up to 10 percent of funding between (b) through ((~~(d)~~)) (e) of this subsection, but only if the funding is

available or necessary to transfer solely due to utilization, caseload changes, or underperformance in terms of client outcomes. The department shall provide notification prior to any transfer to the office of financial management and to the appropriate legislative committees and the legislative-executive WorkFirst oversight task force. The approval of the director of financial management is required prior to any transfer under this subsection.

(2) $1,657,000 of the general fund--state appropriation for fiscal year 2014 and $1,657,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for naturalization services.

(3) $2,366,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for employment services for refugees and immigrants, of which $1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services; and $2,366,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for employment services for refugees and immigrants, of which $1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services.

(4) On December 1, 2013, and annually thereafter, the department must report to the legislature on all sources of funding available for both refugee and immigrant services and naturalization services during the current fiscal year and the amounts expended to date by service type and funding source. The report must also include the number of clients served and outcome data for the clients.

(5) To ensure expenditures remain within available funds appropriated in this section, the legislature establishes the benefit under the state food assistance program, pursuant to RCW 74.08A.120, to be seventy-five percent of the federal supplemental nutrition assistance program benefit amount.

(6) $18,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of section 1, chapter 337, Laws of 2013 (2SSB 5595).

(7) $4,729,000 of the general fund--state appropriation for fiscal year 2014 and $4,729,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of the telephone assistance program and the Washington information network 211

organization pursuant to Substitute House Bill No. 1971 (communication services). Of these funds, $500,000 of the general fund--state appropriation for fiscal year 2014 and $500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for operational support of the Washington information network 211 organization. If Substitute House Bill No. 1971 (communication services) is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(8) The department shall review clients receiving services through the aged, blind, or disabled assistance program, to determine whether they would benefit from assistance in becoming naturalized citizens, and thus be eligible to receive federal supplemental security income benefits. Those cases shall be given high priority for naturalization funding through the department.

(9) The department shall continue the interagency agreement with the department of veterans' affairs to establish a process for referral of veterans who may be eligible for veterans' services. This agreement must include out-stationing department of veterans' affairs staff in selected community service office locations in King and Pierce counties to facilitate applications for veterans' services.

(10) $500,000 of the general fund--state appropriation for fiscal year 2014 and $1,500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Substitute House Bill No. 2069 (safety net benefits). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

**Sec. 208.** 2013 2nd sp.s. c 4 s 208 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$72,650,000~~))
$72,961,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$61,855,000~~))
$63,340,000

General Fund--Federal Appropriation . . . . . .((~~$277,248,000~~))
$278,767,000

General Fund--Private/Local Appropriation . . . . . ((~~$13,554,000~~))
$16,307,000

Criminal Justice Treatment Account--State Appropriation . . . . . ((~~$14,568,000~~)) $14,284,000

Problem Gambling Account--State Appropriation . . . . . ((~~$1,450,000~~)) $1,449,000

TOTAL APPROPRIATION . . . . . ((~~$441,325,000~~)) $447,108,000

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

(1) Within the amounts appropriated in this section, the department may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program or other specialized chemical dependency case management providers for pregnant, post-partum, and parenting women. For all contractors: (a) Service and other outcome data must be provided to the department by request; (b) program modifications needed to maximize access to federal medicaid matching funds will be phased in over the course of the 2013-2015 fiscal biennium; and (c) indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) Within the amounts appropriated in this section, the department shall continue to provide for chemical dependency treatment services for adult medicaid eligible, pregnant and parenting women, disability lifeline, and alcoholism and drug addiction treatment and support act, and medical care services clients.

(3) In accordance with RCW 70.96A.090 and 43.135.055, the department is authorized to adopt fees for the review and approval of treatment programs in fiscal years 2014 and 2015 as necessary to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

(4) $3,500,000 of the general fund--federal appropriation (from the substance abuse prevention and treatment federal block grant) is provided solely for the continued funding of existing county drug and alcohol use prevention programs.

(5) $2,600,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the department to transition 128 beds from settings that are considered institutions for mental diseases to facilities with no more than 16 beds that are able to claim federal match for services provided to medicaid clients or individuals covered under the department's section 1115 medicaid waiver. The department may conduct a request for proposal process to fulfill this requirement and adopt rates that are comparable to the pilot projects implemented in the 2011-13 fiscal biennium. The department may use these funds to assist with the costs of providers in setting up or converting to 16-bed facilities. This funding may also be used for providers that are developing new capacity for clients who will become eligible for services under the affordable care act medicaid expansion. The number of beds available for pregnant and parenting women must not be reduced.

(6) $283,000 of the criminal justice treatment account appropriation is provided solely for transitional funding for the family drug court in Pierce county.

**Sec. 209.** 2013 2nd sp.s. c 4 s 209 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL REHABILITATION PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$16,478,000~~))
$16,568,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$16,459,000~~))
$11,243,000

General Fund--Federal Appropriation . . . . . ((~~$99,413,000~~))
$99,397,000

TOTAL APPROPRIATION . . . . . .((~~$132,350,000~~))
$127,208,000

The appropriations in this section are subject to the following conditions and limitations: $5,006,000 of the general fund--state appropriation for fiscal year 2014 ((~~and $5,094,000 of the general~~

~~fund--state appropriation for fiscal year 2015 are~~)) is provided solely for services and support to individuals who are deaf, hard of hearing, or deaf-blind.

**Sec. 210.** 2013 2nd sp.s. c 4 s 210 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$36,420,000~~))
$38,704,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$35,813,000~~))
$36,333,000

TOTAL APPROPRIATION . . . . . ((~~$72,233,000~~))
$75,037,000

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

(1) The department of social and health services shall transfer the stewardship of McNeil Island to the department of corrections industries program, effective September 1, 2013. The transferred responsibilities shall include marine operations, waste water treatment, water treatment, road maintenance, and any other general island maintenance that is not site specific to the operations of the special commitment center or the Pierce county secure community transition facility. Facility maintenance within the perimeter of the special commitment center shall remain the responsibility of the department of social and health services. Capital repairs and maintenance necessary to maintain the special commitment center on McNeil Island shall be managed by the department of social and health services. The legislature directs both departments to enter into an interagency agreement by August 1, 2013. The office of financial management shall oversee the negotiations of the interagency agreement. The interagency agreement must describe equipment that will transfer between the departments, warehouse space that will be shared by the departments, and occupancy requirements for any shops outside the perimeter of the special commitment center. The office of financial management will make the final determination on any disagreements between the departments on the details of the interagency agreement.

(2) ((~~$3,120,000~~)) $3,042,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$3,120,000~~)) $3,024,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for operational costs specific to island operations of the special commitment center and the Pierce county secure community transition facility. The department shall establish an accounting structure that enables it to track and report on costs specific to island operations.

(3) All employees of the department of social and health services engaged in performing the powers, functions, and duties transferred to the department of corrections industries program under this subsection, are transferred to the department of corrections.

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

**Sec. 211.** 2013 2nd sp.s. c 4 s 211 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$30,127,000~~))
$29,802,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$29,333,000~~))
$29,317,000

General Fund--Federal Appropriation . . . . . ((~~$37,150,000~~))
$37,269,000

General Fund--Private/Local Appropriation . . . . . .$654,000

TOTAL APPROPRIATION . . . . . ((~~$97,264,000~~))
$97,042,000

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

(1) $395,000 of the general fund--state appropriation for fiscal year 2014, $228,000 of the general fund--state appropriation for fiscal

year 2015, and $335,000 of the general fund--federal appropriation are provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

(2) $300,000 of the general fund--state appropriation for fiscal year 2014 and $300,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state mentors program to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

(3) $82,000 of the general fund--state appropriation for fiscal year 2014, $44,000 of the general fund--state appropriation for fiscal year 2015, and $28,000 of the general fund--federal appropriation are provided solely to develop a report on state efforts to prevent and control diabetes. The department, the health care authority, and the department of health shall submit a coordinated report to the governor and the appropriate committees of the legislature by December 31, 2014, on the following:

(a) The financial impacts and reach that diabetes of all types and undiagnosed gestational diabetes are having on the programs administered by each agency and individuals, including children with mothers with undiagnosed gestational diabetes, enrolled in those programs. Items in this assessment must include: (i) The number of lives with diabetes and undiagnosed gestational diabetes impacted or covered by the programs administered by each agency; (ii) the number of lives with diabetes, or at risk for diabetes, and family members impacted by prevention and diabetes control programs implemented by each agency; (iii) the financial toll or impact diabetes and its complications, and undiagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs in comparison to other chronic diseases and conditions; and (iv) the financial toll or impact diabetes and its complications, and diagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs;

(b) An assessment of the benefits of implemented and existing programs and activities aimed at controlling all types of diabetes and preventing the disease. This assessment must also document the amount

and source for any funding directed to each agency for the programs and activities aimed at reaching those with diabetes of all types;

(c) A description of the level of coordination existing between the agencies on activities, programmatic activities, and messaging on managing, treating, or preventing all types of diabetes and its complications;

(d) The development or revision of detailed policy-related action plans and budget recommendations for battling diabetes and undiagnosed gestational diabetes that includes a range of actionable items for consideration by the legislature. The plans and budget recommendations must identify proposed action steps to reduce the impact of diabetes, prediabetes, related diabetes complications, and undiagnosed gestational diabetes. The plans and budget recommendations must also identify expected outcomes of the action steps proposed in the following biennium while also establishing benchmarks for controlling and preventing all types of diabetes; and

(e) An estimate of savings, efficiencies, costs, and budgetary savings and resources required to implement the plans and budget recommendations identified in (d) of this subsection (5).

**Sec. 212.** 2013 2nd sp.s. c 4 s 212 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$60,470,000~~))
$64,240,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$60,511,000~~))
$67,150,000

General Fund--Federal Appropriation . . . . . ((~~$55,264,000~~))
$58,983,000

TOTAL APPROPRIATION . . . . . ((~~$176,245,000~~))
$190,373,000

**Sec. 213.** 2013 2nd sp.s. c 4 s 213 (uncodified) is amended to read as follows:

**FOR THE STATE HEALTH CARE AUTHORITY**

General Fund--State Appropriation (FY 2014) . . . . ((~~$2,131,026,000~~))
$2,132,171,000

General Fund--State Appropriation (FY 2015) . . . . ((~~$2,114,731,000~~))
$2,159,963,000
General Fund--Federal Appropriation . . . . . .((~~$7,245,749,000~~))
$7,940,419,000
General Fund--Private/Local Appropriation . . . . . ((~~$57,780,000~~))
$55,614,000
Emergency Medical Services and Trauma Care Systems
Trust Account--State Appropriation . . . . . .((~~$15,082,000~~))
$14,761,000
Hospital Safety Net Assessment Fund--State
Appropriation . . . . . ((~~$669,381,000~~))
$669,380,000
Health Benefit Exchange Account--State
Appropriation . . . . . ((~~$17,277,000~~))
$18,164,000
State Health Care Authority Administration Account--
State Appropriation . . . . . ((~~$34,809,000~~))
$35,384,000
Medical Aid Account--State Appropriation . . . . . $528,000
Medicaid Fraud Penalty Account--State Appropriation . . . . $21,206,000
TOTAL APPROPRIATION . . . . . ((~~$12,307,569,000~~))
$13,047,590,000

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

(1) ((~~$1,143,994,000~~)) $1,944,778,000 of the general fund--federal appropriation is provided solely to implement the medicaid expansion as defined in the social security act, section 1902(a)(10)(A)(i)(VIII), subject to the conditions and limitations in this subsection. If the federal medical assistance percentage for the medicaid expansion falls below the percentages in section 1905(y) of the social security act as of July 1, 2013, the authority shall ensure that the state does not incur any additional state costs above what would have been incurred had the federal medical assistance percentages remained at the percentages in section 1905(y) as of July 1, 2013. The director is authorized to make any necessary program adjustments to comply with this requirement, including adding or adjusting premiums, modifying benefits, or reducing optional programs. To the extent a waiver is needed to accomplish this, the director shall promptly apply for such

waiver. If a necessary waiver is not approved, the medicaid expansion program shall be terminated upon appropriate notification to the legislature and enrollees.

(2) The requirements of this subsection apply to the basic health plan. This subsection is null and void and has no further effect upon implementation of the medicaid expansion under subsection (1) of this section.

(a) Within amounts appropriated in this section and sections 205 and 206 of this act, the health care authority shall continue to provide an enhanced basic health plan subsidy for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents eligible to participate in the basic health plan as subsidized enrollees and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at the minimum premium amount charged to enrollees with incomes below sixty-five percent of the federal poverty level.

(b) The health care authority shall require organizations and individuals that are paid to deliver basic health plan services and that choose to sponsor enrollment in the subsidized basic health plan to pay 133 percent of the premium amount which would otherwise be due from the sponsored enrollees.

(c) The administrator shall take at least the following actions to assure that persons participating in the basic health plan are eligible for the level of assistance they receive: (a) Require submission of (i) income tax returns, and recent pay history, from all applicants, or (ii) other verifiable evidence of earned and unearned income from those persons not required to file income tax returns; (b) check employment security payroll records at least once every twelve months on all enrollees; (c) require enrollees whose income as indicated by payroll records exceeds that upon which their subsidy is based to document their current income as a condition of continued eligibility; (d) require enrollees for whom employment security payroll records cannot be obtained to document their current income at least once every six months; (e) not reduce gross family income for self-employed persons by noncash-flow expenses such as, but not limited to, depreciation, amortization, and home office deductions, as defined by the United

States internal revenue service; and (f) pursue repayment and civil penalties from persons who have received excessive subsidies, as provided in RCW 70.47.060(9).

(d) Enrollment in the subsidized basic health plan shall be limited to only include persons who qualify as subsidized enrollees as defined in RCW 70.47.020 and who (a) qualify for services under 1115 medicaid demonstration project number 11-W-00254/10; or (b) are foster parents licensed under chapter 74.15 RCW.

(3) The legislature finds that medicaid payment rates, as calculated by the health care authority pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that the cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

(4) Based on quarterly expenditure reports and caseload forecasts, if the health care authority estimates that expenditures for the medical assistance program will exceed the appropriations, the health care authority shall take steps including but not limited to reduction of rates or elimination of optional services to reduce expenditures so that total program costs do not exceed the annual appropriation authority.

(5) In determining financial eligibility for medicaid-funded services, the health care authority is authorized to disregard recoveries by Holocaust survivors of insurance proceeds or other assets, as defined in RCW 48.104.030.

(6) The legislature affirms that it is in the state's interest for Harborview medical center to remain an economically viable component of the state's health care system.

(7) When a person is ineligible for medicaid solely by reason of residence in an institution for mental diseases, the health care authority shall provide the person with the same benefits as he or she would receive if eligible for medicaid, using state-only funds to the extent necessary.

(8) $4,261,000 of the general fund--state appropriation for fiscal year 2014, $4,261,000 of the general fund--state appropriation for fiscal year 2015, and $8,522,000 of the general fund--federal appropriation are provided solely for low-income disproportionate share hospital payments.

(9) $400,000 of the general fund--state appropriation for fiscal year 2014, $400,000 of the general fund--state appropriation for fiscal year 2015, and $800,000 of the general fund--federal appropriation are provided solely for disproportionate share hospital payments to rural hospitals certified by the centers for medicare and medicaid services as sole community hospitals as of January 1, 2013, with less than one hundred fifty acute care licensed beds in fiscal year 2011 that do not participate in the certified public expenditures program.

(10) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for grants to rural hospitals in Clallam county that were certified by the centers for medicare and medicaid services as sole community hospitals as of January 1, 2013, with less than one hundred fifty acute care licensed beds in fiscal year 2011.

(11) Within the amounts appropriated in this section, the health care authority shall provide disproportionate share hospital payments to hospitals that provide services to children in the children's health program who are not eligible for services under Title XIX or XXI of the federal social security act due to their citizenship status.

(12) $6,000,000 of the general fund--federal appropriation is provided solely for supplemental payments to nursing homes operated by public hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments. The supplemental payments are subject to

retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the health care authority's discretion. During either the interim cost settlement or the final cost settlement, the health care authority shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or the medicare upper payment limit. The health care authority shall apply federal rules for identifying the eligible incurred medicaid costs and the medicare upper payment limit.

(13) The health care authority shall continue the inpatient hospital certified public expenditures program for the 2013-2015 fiscal biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The health care authority shall submit reports to the governor and legislature by November 1, 2013, and by November 1, 2014, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the health care authority shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2014 and fiscal year 2015, hospitals in the program shall be paid and shall retain one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance and one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount. The baseline amount will be determined by the total of (a) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program based on the reimbursement rates developed, implemented, and consistent with policies approved in the 2013-2015 biennial operating appropriations act and in effect on July 1, 2013, (b) one-half of the indigent assistance disproportionate share hospital payment amounts paid to and

retained by each hospital during fiscal year 2005, and (c) all of the other disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 to the extent the same disproportionate share hospital programs exist in the 2013-2015 fiscal biennium. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. ((~~$3,860,000~~)) $12,051,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$1,137,000~~)) $9,707,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for state grants for the participating hospitals.

(14) The health care authority shall seek public-private partnerships and federal funds that are or may become available to provide on-going support for outreach and education efforts under the federal children's health insurance program reauthorization act of 2009.

(15) The health care authority shall target funding for maternity support services towards pregnant women with factors that lead to higher rates of poor birth outcomes, including hypertension, a preterm or low birth weight birth in the most recent previous birth, a cognitive deficit or developmental disability, substance abuse, severe mental illness, unhealthy weight or failure to gain weight, tobacco use, or African American or Native American race. The health care authority shall prioritize evidence-based practices for delivery of maternity support services. To the extent practicable, the health care

authority shall develop a mechanism to increase federal funding for maternity support services by leveraging local public funding for those services.

(16) $170,000 of the general fund--state appropriation for fiscal year 2014, $121,000 of the general fund--state appropriation for fiscal year 2015, and $292,000 of the general fund--federal appropriation are provided solely to implement Engrossed Substitute House Bill No. 1519 (service coordination organizations) and Second Substitute Senate Bill No. 5732 (behavioral health services). If neither of the bills is enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(17) $57,000 of the general fund--state appropriation for fiscal year 2014, $40,000 of the general fund--state appropriation for fiscal year 2015, and $55,000 of the general fund--federal appropriation are provided solely to develop a report on state efforts to prevent and control diabetes. The authority, the department of social and health services, and the department of health shall submit a coordinated report to the governor and the appropriate committees of the legislature by December 31, 2014, on the following:

(a) The financial impacts and reach that diabetes of all types and undiagnosed gestational diabetes are having on the programs administered by each agency and individuals, including children with mothers with undiagnosed gestational diabetes, enrolled in those programs. Items in this assessment must include: (i) The number of lives with diabetes and undiagnosed gestational diabetes impacted or covered by the programs administered by each agency; (ii) the number of lives with diabetes, or at risk for diabetes, and family members impacted by prevention and diabetes control programs implemented by each agency; (iii) the financial toll or impact diabetes and its complications, and undiagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs in comparison to other chronic diseases and conditions; and (iv) the financial toll or impact diabetes and its complications, and diagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs;

(b) An assessment of the benefits of implemented and existing programs and activities aimed at controlling all types of diabetes and

preventing the disease. This assessment must also document the amount and source for any funding directed to each agency for the programs and activities aimed at reaching those with diabetes of all types;

(c) A description of the level of coordination existing between the agencies on activities, programmatic activities, and messaging on managing, treating, or preventing all types of diabetes and its complications;

(d) The development or revision of detailed policy-related action plans and budget recommendations for battling diabetes and undiagnosed gestational diabetes that includes a range of actionable items for consideration by the legislature. The plans and budget recommendations must identify proposed action steps to reduce the impact of diabetes, prediabetes, related diabetes complications, and undiagnosed gestational diabetes. The plans and budget recommendations must also identify expected outcomes of the action steps proposed in the following biennium while also establishing benchmarks for controlling and preventing all types of diabetes; and

(e) An estimate of savings, efficiencies, costs, and budgetary savings and resources required to implement the plans and budget recommendations identified in (d) of this subsection (17).

(18) Within the amounts appropriated in this section, the authority shall identify strategies to improve patient adherence to treatment plans for diabetes and implement these strategies as a pilot through one health home program to be identified by the authority. The authority shall report to the governor and the legislature in December 2014 on the progress of strategy implementation. The authority shall report to the governor and legislature in December 2015 on patient outcomes and cost savings derived from new adherence strategies in the health home model and make recommendations for improving the strategies.

(19) Effective January 1, 2014, managed care contracts must incorporate accountability measures that monitor patient health and improved health outcomes, and shall include an expectation that each patient receive a wellness examination that documents the baseline health status and allows for monitoring of health improvements and outcome measures.

(20) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--federal appropriation are

provided solely for the development of recommendations for funding integrated school nursing and outreach services. The authority shall collaborate with the office of the superintendent of public instruction to develop recommendations for increasing federal financial participation for providing nursing services in schools with the goals of integrating nursing and outreach services and supporting one nurse for every four hundred fifty students in elementary schools and one nurse for every seven hundred fifty students in secondary schools. In developing these recommendations, the authority shall inquire with the federal centers for medicare and medicaid services about state plan amendment or waiver options for receiving additional federal matching funds for school nursing services provided to children enrolled in apple health for kids. The recommendations shall include proposals for funding training and reimbursement for nurses that provide outreach services to help eligible students enroll in apple health for kids and other social services programs. The authority and the office of the superintendent of public instruction shall provide these recommendations to the governor and the legislature by December 1, 2013.

(21) $430,000 of the general fund--state appropriation for fiscal year 2014 and $500,000 of the general fund--federal appropriation are provided solely to complete grant requirements for the health information exchange.

(22) $143,000 of the medicaid fraud penalty account--state appropriation and $423,000 of the general fund--federal appropriation are provided solely for the rebasing of outpatient and inpatient payment methods.

(23) $1,163,000 of the medicaid fraud penalty account--state appropriation and $9,710,000 of the general fund--federal appropriation are provided solely to implement the conversion to the tenth version of the world health organization's international classification of diseases.

(24) $111,000 of the general fund--state appropriation for fiscal year 2014, $35,000 of the general fund--state appropriation for fiscal year 2015, and $359,000 of the general fund--federal appropriation are provided solely to update the medicaid information technology architecture state self-assessment and to develop the five year road map for the medicaid information technology architecture architect.

(25) $62,000 of the general fund--state appropriation for fiscal year 2014, $62,000 of the general fund--state appropriation for fiscal year 2015, and $126,000 of the general fund--federal appropriation are provided solely to support the Robert Bree collaborative's efforts to disseminate evidence-based best practices for preventing and treating health problems.

(26) Within the amounts appropriated in this section, the authority shall increase reimbursement rates for primary care services provided by independent nurse practitioners to medicare levels for the period from July 1, 2013, to December 31, 2014.

(27) The authority shall seek a medicaid state plan amendment to create a professional services supplemental payment managed care program for professional services delivered to managed care recipients by University of Washington medicine and other public professional providers. This program shall be effective as soon as administratively possible and shall operate concurrently with the existing professional services supplemental payment program. The authority shall apply federal rules for identifying the difference between average commercial rates and fee-for-service medicaid payments. This difference will be multiplied by the number of managed care encounters and incorporated into the managed care plan capitation rates by a certified actuary. The managed care plans will pay the providers the difference attributable to the increased capitation rate. Participating providers shall be solely responsible for providing the local funds required to obtain federal matching funds. Any incremental costs incurred by the authority in the development, implementation, and maintenance of this program shall be the responsibility of the participating providers. Participating providers shall retain the full amount of supplemental payments provided under this program, net of any costs related to the program that are disallowed due to audits or litigation against the state.

(28) Sufficient amounts are appropriated in this section for the authority to provide an adult dental benefit beginning January 1, 2014.

(29) To the extent allowed under federal law, the authority shall require an adult client to enroll in full medicaid coverage instead of family planning-only coverage unless the client is at risk of domestic violence.

(30) The authority shall facilitate enrollment under the medicaid expansion for clients applying for or receiving state funded services from the authority and its contractors. Prior to open enrollment, the authority shall coordinate with the department of social and health services to provide referrals to the Washington health benefit exchange for clients that will be ineligible for the medicaid expansion but are enrolled in coverage that will be eliminated in the transition to the medicaid expansion.

(31) $90,000 of the general fund--state appropriation for fiscal year 2014, $90,000 of the general fund--state appropriation for fiscal year 2015, and $180,000 of the general fund--federal appropriation are provided solely to continue operation by a nonprofit organization of a toll-free hotline that assists families to learn about and enroll in the apple health for kids program.

(32) Within the amounts appropriated in this section, the authority shall reduce premiums for children with family incomes above 200 percent of the federal poverty level in the state-funded children's health program who are not eligible for coverage under the federal children's health insurance program. Premiums in the state and federal children's health insurance program shall be equal.

(33) The appropriations in this section reflect savings and efficiencies by transferring children receiving medical care provided through fee-for-service to medical care provided through managed care.

(34) $150,000 of the general fund--state appropriation for fiscal year 2014, $436,000 of the general fund--state appropriation for fiscal year 2015, and $170,561,000 of the general fund--federal appropriation are provided solely for the provider incentive program and other initiatives related to the health information technology medicaid plan.

((~~(37) $1,531,000~~)) <u>(35) $1,528,000</u> of the general fund--state appropriation for fiscal year 2014, ((~~$280,000~~)) <u>$2,899,000</u> of the general fund--state appropriation for fiscal year 2015, and ((~~$10,803,000~~)) <u>$19,610,000</u> of the general fund--federal appropriation are provided solely to implement phase two of the project to create a single provider payment system that consolidates medicaid medical and social services payments and replaces the social service payment system. The amounts provided in this subsection are conditioned on the authority satisfying the requirements of the project management

oversight standards and policies established by the office of the chief information officer.

((~~(38)~~)) (36) Within the amounts appropriated in this section, the health care authority and the department of social and health services shall implement the state option to provide health homes for enrollees with chronic conditions under section 2703 of the federal affordable care act. The total state match for enrollees who are dually-eligible for both medicare and medicaid and not enrolled in managed care shall be no more than the net savings to the state from the enhanced match rate for its medicaid-only managed care enrollees under section 2703.

((~~(39)~~)) (37) The health care authority shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The health care authority may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the health care authority receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

((~~(40)~~)) (38) Within the amounts appropriated in this section, the authority shall reimburse for primary care services provided by naturopathic physicians.

((~~(41)~~)) (39) Within amounts appropriated, the health care authority shall conduct a review of its management and staffing structure to identify efficiencies and opportunities to reduce full time equivalent employees and other administrative costs. A report summarizing the review and the authority's recommendations to reduce costs and full time equivalent employees must be submitted to the governor and legislature by November 1, 2013.

((~~(42)~~)) (40) $17,279,000 of the health benefit exchange account--state appropriation and $2,721,000 of the general fund--federal appropriation are provided solely to support the operations of the Washington health benefit exchange from January 1, 2015, to June 30, 2015. The Washington state health insurance pool administrator shall transfer $20,838,000 of pool contributions to the treasurer for deposit into the health benefit exchange account in calendar year 2014.

((~~(43)~~)) (41) Within the amounts appropriated in this section, the authority shall continue to provide coverage after December 31, 2013, for pregnant teens that qualify under existing pregnancy medical programs, but whose eligibility for pregnancy related services would otherwise end due to the application of the new modified adjusted gross income eligibility standard.

((~~(44)~~)) (42) Upon implementation of the medicaid expansion under subsection (1) of this section, the breast and cervical cancer treatment program is eliminated. To maintain continuity of coverage, the authority shall offer the option to stay in a fee-for-service program to clients that are already enrolled in the breast and cervical cancer treatment program and will be transitioned into the new adult group upon implementation of the medicaid expansion. The authority will continue to provide coverage to clients that are already enrolled in the breast and cervical cancer treatment program at the time of program elimination until their courses of treatment are completed.

((~~(45)~~)) (43) $40,000 of the general fund--state appropriation for fiscal year 2014 and $40,000 of the general fund--federal appropriation are provided solely for the authority to create a new position to provide adequate oversight and assistance to managed care organizations, rural health clinics, and federally qualified health centers under a new administratively streamlined payment methodology. Effective July 1, 2013, or upon obtaining any necessary federal approval, but in no case during the first quarter of a calendar year, the authority shall implement an administratively streamlined payment methodology for federally qualified health centers and rural health clinics. The authority's payments to managed care organizations shall include the full encounter payment comprised of both the standard and enhancement payments for federally qualified health centers and rural health clinics as defined in the medicaid state plan and in accordance with section 1902(bb) of the social security act (42 U.S.C. 1396a(bb)).

At no time will a managed care organization be at risk for or have any claim to the supplemental payment portion of the rate which will be reconciled to ensure accurate payment and full pass through of the obligated funds. For any services eligible for encounter payments, as defined in the medicaid state plan, managed care organizations shall be required to pay at least the full published encounter rates directly to each clinic or center, and payments will be reconciled on at least an annual basis between the managed care organization and the authority, with final review and approval by the authority. At the option of any clinic, the enhancement payment can be received from the managed care organization on a per member per month basis for all assigned managed care enrollees in an amount prescribed by the authority. Nothing in this section is intended to disrupt mutually agreeable contractual arrangements between managed care organizations and clinics that impact how the standard payment for services is paid. The authority will require participating managed care organizations to reimburse federally qualified health centers and rural health clinics for clean claims in strict adherence to the timeliness of payment standards established under contract and specified for the medicaid fee-for-service program in section 1902(a)(37) of the social security act (42 U.S.C. 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and specified for health carriers in WAC 284-43-321. The authority shall exercise all necessary options under its existing sanctions policy to enforce timely payment of claims. The authority shall ensure necessary staff and resources are identified to actively monitor and enforce the timeliness and accuracy of payments to federally qualified health centers and rural health clinics. By January 1, 2014, and after collaboration with federally qualified health centers, rural health clinics, managed care plans, and the centers for medicare and medicaid services, the authority will produce a report that provides options for a new payment methodology that rewards innovation and outcomes over volume of services delivered, and which maintains the integrity of the rural health clinic and federally qualified health center programs as outlined under federal law. The report will detail necessary federal authority for implementation and provide the benefits and drawbacks of each option.

((~~(46)~~)) (44) $3,605,000 of the general fund--state appropriation for fiscal year 2014 is provided solely to proportionally reduce the

amounts that rural health clinics owe the state under the calendar year 2009 recoupment.

((~~(47)~~)) (45) Sufficient amounts are appropriated in this section to remove the mental health visit limit and to provide the shingles vaccine and screening, brief intervention, and referral to treatment benefits that are available in the medicaid alternative benefit plan in the current medicaid benefit plan beginning January 1, 2014. The authority shall monitor the costs of the habilitative benefit as part of the forecasting process but shall not provide this benefit in the current medicaid benefit plan without a direct appropriation in the omnibus appropriations act.

((~~(48)~~)) (46) The appropriations in this section reflect savings and efficiencies achieved by modifying dispensing methods of contraceptive drugs. The authority must make arrangements for all medicaid programs offered through managed care plans or fee-for-service programs to require dispensing of contraceptive drugs with a one-year supply provided at one time unless a patient requests a smaller supply or the prescribing physician instructs that the patient must receive a smaller supply. Contracts with managed care plans must allow on-site dispensing of the prescribed contraceptive drugs at family planning clinics. Dispensing practices must follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs.

((~~(49)~~)) (47)(a) $75,000 of the general fund--state appropriation for fiscal year 2014 and $75,000 of the general fund--federal appropriation are provided solely for preparing options with an expert consultant for possible implementation of a targeted premium assistance program and possible implementation of the federal basic health option. $75,000 of the amounts appropriated in this subsection is provided solely for the development of options related to the targeted premium assistance program. The authority shall develop options for a waiver request to the federal centers for medicare and medicaid services to implement a targeted premium assistance program for the expansion adults, identified in section 1902(a)(10)(A)(i)(VIII) of the social security act, with incomes above one hundred percent of the federal poverty level, and for children covered in the children's health insurance program with incomes above two hundred percent of the federal poverty level, with a goal of providing seamless coverage through the

health benefit exchange and improving opportunities for families to be covered in the same health plans. The options must include the possibility of applying premiums for individuals and cost-sharing that may exceed the five percent of family income cap under federal law, and the options must include recommendations to make the targeted premium assistance program cost neutral. The authority shall submit a report on the options to the legislature and the governor by January 1, 2014. The authority is encouraged to be creative, use subject matter experts, and exhaust all possible options to achieve cost neutrality. The report shall also include a detailed plan and timeline. $75,000 of the amounts appropriated in this subsection is provided solely for the development of options related to the federal basic health option. The authority shall prepare options for implementing the federal basic health option as federal guidance becomes available. The authority shall submit a report on the options to the legislature and the governor by January 1, 2014, or ninety days following the release of federal guidance. The report must include a comparison of the premiums and cost-sharing under the federal basic health option with the premium assistance options described in this subsection, options for implementing the federal basic health option in combination with a premium assistance program, a detailed fiscal analysis for each coverage approach, including the estimated costs for system design and implementation, and information about impacted populations.

(b) Where possible, the authority shall leverage the same expert consultants to review each proposal and compare and contrast the approaches to ensure seamless coordination with the health benefit exchange.

(c) The authority shall collaborate with the joint select committee on health care oversight in the development of these options.

**Sec. 214.** 2013 2nd sp.s. c 4 s 214 (uncodified) is amended to read as follows:

**FOR THE HUMAN RIGHTS COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$2,077,000~~))
$2,059,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,996,000~~))
$2,069,000

General Fund--Federal Appropriation . . . . . .((~~$2,185,000~~))

$2,176,000

TOTAL APPROPRIATION . . . . . ((~~$6,258,000~~))
$6,304,000

The appropriations in this section are subject to the following conditions and limitations: $218,000 of the general fund--federal appropriation is provided for additional financial resources from the U.S. department of housing and urban development for the investigation of discrimination cases involving service animals.

**Sec. 215.** 2013 2nd sp.s. c 4 s 215 (uncodified) is amended to read as follows:

**FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

Worker and Community Right-to-Know Account--State
Appropriation . . . . . $10,000

Accident Account--State Appropriation . . . . . ((~~$19,763,000~~))
$19,718,000

Medical Aid Account--State Appropriation . . . . . .((~~$19,763,000~~))
$19,718,000

TOTAL APPROPRIATION . . . . . ((~~$39,536,000~~))
$39,446,000

**Sec. 216.** 2013 2nd sp.s. c 4 s 216 (uncodified) is amended to read as follows:

**FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$14,257,000~~))
$14,609,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$14,159,000~~))
$14,125,000

General Fund--Private/Local Appropriation . . . . . ((~~$3,059,000~~))
$3,232,000

Death Investigations Account--State Appropriation . . . . . $148,000

Municipal Criminal Justice Assistance Account--
State Appropriation . . . . . $460,000

Washington Auto Theft Prevention Authority Account--
State Appropriation . . . . . $8,597,000

TOTAL APPROPRIATION . . . . . ((~~$40,680,000~~))
$41,171,000

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

(1) $5,000,000 of the general fund--state appropriation for fiscal year 2014 and $5,000,000 of the general fund--state appropriation for fiscal year 2015, are provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of registered sex offenders and kidnapping offenders under RCW 9A.44.130.

(2) $340,000 of the general fund--local appropriation is provided solely to purchase ammunition for the basic law enforcement academy. Jurisdictions shall reimburse to the criminal justice training commission the costs of ammunition, based on the average cost of ammunition per cadet, for cadets that they enroll in the basic law enforcement academy.

(3) The criminal justice training commission may not run a basic law enforcement academy class of fewer than 30 students.

(4) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a school safety program. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel hired after the effective date of this section.

(5) $96,000 of the general fund--state appropriation for fiscal year 2014 and $96,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the school safety center within the commission. The safety center shall act as an information dissemination and resource center when an incident occurs in a school district in Washington or in another state, coordinate activities relating to school safety, and review and approve manuals and curricula used for school safety models and training. Through an interagency agreement, the commission shall provide funding for the office of the superintendent of public instruction to continue to develop and maintain a school safety information web site. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety, for all school safety personnel. The commission shall provide research-related

programs in school safety and security issues beneficial to both law enforcement and schools.

(6) $123,000 of the general fund--state appropriation for fiscal year 2014 and $123,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the costs of providing statewide advanced driving training with the use of a driving simulator.

(7) $165,000 of the general fund--state appropriation for fiscal year 2014 and $165,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for crisis intervention training for peace officers. The commission shall incorporate eight hours of crisis intervention curriculum into its basic law enforcement academy and shall offer an eight-hour in-service crisis intervention training course.

**Sec. 217.** 2013 2nd sp.s. c 4 s 217 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$17,158,000~~))
$17,219,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$17,733,000~~))
$17,720,000

General Fund--Federal Appropriation . . . . . $11,876,000

Asbestos Account--State Appropriation . . . . . .((~~$366,000~~))
$365,000

Electrical License Account--State Appropriation . . . . ((~~$37,124,000~~))
$40,147,000

Farm Labor Contractor Account--State Appropriation . . . . . .$28,000

Worker and Community Right-to-Know Account--
State Appropriation . . . . . ((~~$903,000~~))
$899,000

Public Works Administration Account--State
Appropriation . . . . . ((~~$6,252,000~~))
$7,390,000

Manufactured Home Installation Training Account--
State Appropriation . . . . . ((~~$353,000~~))
$351,000

Accident Account--State Appropriation . . . . . .((~~$258,440,000~~))

$258,361,000

Accident Account--Federal Appropriation . . . . . $13,626,000

Medical Aid Account--State Appropriation . . . . . ((~~$278,697,000~~))

$278,514,000

Medical Aid Account--Federal Appropriation . . . . . $3,186,000

Plumbing Certificate Account--State Appropriation . . . ((~~$1,732,000~~))

$1,739,000

Pressure Systems Safety Account--State

Appropriation . . . . . ((~~$4,193,000~~))

$4,179,000

TOTAL APPROPRIATION . . . . . ((~~$651,667,000~~))

$655,600,000

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

(1) Pursuant to RCW 43.135.055, the department is authorized to increase elevator fees by up to 13.1 percent during the 2013-2015 fiscal biennium. This increase is necessary to support expenditures authorized in this section, consistent with chapter 70.87 RCW.

(2) $1,336,000 of the medical aid account--state appropriation is provided solely for implementation of Substitute Senate Bill No. 5362 (workers' compensation/vocational rehabilitation). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(3) $279,000 of the public works administration account--state appropriation, $4,000 of the medical aid account--state appropriation, and $4,000 of the accident account--state appropriation are provided solely for implementation of Substitute House Bill No. 1420 (transportation improvement projects). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(4) $104,000 of the general fund--state appropriation for fiscal year 2014 and $104,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement Substitute Senate Bill No. 5123 (farm internships). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(6)~~)) (5) $210,000 of the medical aid account--state appropriation and $630,000 of the accident account--state appropriation are provided solely for the contract costs and one staff position at the department for the purpose of implementing the logging safety

initiative in an effort to reduce the frequency and severity of injuries in manual, or nonmechanized, logging. The department shall reduce $840,000 of workers compensation funding used for the safety and health investment project to maintain cost neutrality. Additional costs for the implementation of the logging safety initiative shall be accomplished by the department within existing resources to include the assignment of two full-time auditors specifically for this purpose. The department is directed to include $420,000 of these costs in its calculation of workers' compensation premiums for the forest products industry for 2014, 2015, and 2016 rates. The department shall report to the legislature by December 31, 2014, an approach for using a third party safety certification vendor, accomplishments of the taskforce, accomplishments on this effort to-date, and future plans. The report must identify options for future funding and make recommendations for permanent funding for this program.

**Sec. 218.** 2013 2nd sp.s. c 4 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF VETERANS AFFAIRS**

(1) HEADQUARTERS

General Fund--State Appropriation (FY 2014) . . . . . $1,996,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$1,900,000~~))
$1,888,000

Charitable, Educational, Penal, and Reformatory
Institutions Account--State Appropriation . . . . . $10,000

TOTAL APPROPRIATION . . . . . ((~~$3,906,000~~))
$3,894,000

(2) FIELD SERVICES

General Fund--State Appropriation (FY 2014) . . . . . ((~~$5,340,000~~))
$5,348,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$5,316,000~~))
$5,312,000

General Fund--Federal Appropriation . . . . . ((~~$3,455,000~~))
$3,449,000

General Fund--Private/Local Appropriation . . . . . ((~~$4,418,000~~))
$4,769,000

Veterans Innovations Program Account--State
Appropriation . . . . . $104,000

Veteran Estate Management Account--Private/Local
Appropriation . . . . . ((~~$1,104,000~~))
$1,110,000
TOTAL APPROPRIATION . . . . . ((~~$19,633,000~~))
$20,082,000

The appropriations in this subsection are subject to the following conditions and limitations: $300,000 of the general fund--state appropriation for fiscal year 2014 and $300,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to provide crisis and emergency relief and education, training, and employment assistance to veterans and their families in their communities through the veterans innovation program.

(3) INSTITUTIONAL SERVICES
General Fund--State Appropriation (FY 2014) . . . . . .((~~$102,000~~))
$239,000
General Fund--State Appropriation (FY 2015) . . . . . ((~~$20,000~~))
$156,000
General Fund--Federal Appropriation . . . . . ((~~$68,981,000~~))
$69,304,000
General Fund--Private/Local Appropriation . . . . . ((~~$39,355,000~~))
$28,521,000
TOTAL APPROPRIATION . . . . . .((~~$108,458,000~~))
$98,220,000

**Sec. 219.** 2013 2nd sp.s. c 4 s 219 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF HEALTH**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$60,230,000~~))
$60,190,000
General Fund--State Appropriation (FY 2015) . . . . . ((~~$59,198,000~~))
$61,768,000
General Fund--Federal Appropriation . . . . . .((~~$536,074,000~~))
$535,003,000
General Fund--Private/Local Appropriation . . . . . ((~~$139,455,000~~))
$139,128,000
Hospital Data Collection Account--State Appropriation . . ((~~$222,000~~))
$221,000
Health Professions Account--State Appropriation . . . ((~~$104,722,000~~))

$105,138,000

Aquatic Lands Enhancement Account--State Appropriation . . . . $604,000

Emergency Medical Services and Trauma Care Systems Trust Account--State Appropriation . . . . . .((~~$12,319,000~~)) $11,517,000

Safe Drinking Water Account--State Appropriation . . . . ((~~$5,267,000~~)) $5,242,000

Drinking Water Assistance Account--Federal Appropriation . . . . . ((~~$14,806,000~~)) $14,717,000

Waterworks Operator Certification--State Appropriation . . . . . ((~~$1,560,000~~)) $1,557,000

Drinking Water Assistance Administrative Account--State Appropriation . . . . . ((~~$339,000~~)) $337,000

Site Closure Account--State Appropriation . . . . . .((~~$159,000~~)) $158,000

Biotoxin Account--State Appropriation . . . . . .$1,323,000

State Toxics Control Account--State Appropriation . . . ((~~$3,949,000~~)) $3,922,000

Medical Test Site Licensure Account--State Appropriation . . . . . ((~~$4,737,000~~)) $4,725,000

Youth Tobacco Prevention Account--State Appropriation . . . $1,512,000

Public Health Supplemental Account--Private/Local Appropriation . . . . . $3,236,000

Accident Account--State Appropriation . . . . . .((~~$304,000~~)) $303,000

Medical Aid Account--State Appropriation . . . . . .$50,000

Medicaid Fraud Penalty Account--State Appropriation . . . . . $987,000

TOTAL APPROPRIATION . . . . . .((~~$951,053,000~~)) $951,913,000

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

(1)(a) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless

expressly authorized in this act or other law. The department of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation that provides appropriation authority, and an equal amount of appropriated state moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(b) The joint administrative rules review committee shall review the new or amended rules pertaining to primary and secondary school facilities under (a) of this subsection. The review committee shall determine whether (i) the rules are within the intent of the legislature as expressed by the statute that the rule implements, (ii) the rule has been adopted in accordance with all applicable provisions of law, or (iii) that the agency is using a policy or interpretive statement in place of a rule. The rules review committee shall report to the appropriate policy and fiscal committees of the legislature the results of committee's review and any recommendations that the committee deems advisable.

(2) In accordance with RCW 43.70.250 and 43.135.055, the department is authorized to establish and raise fees in fiscal year 2014 as necessary to meet the actual costs of conducting business and the appropriation levels in this section. This authorization applies to fees required for newborn screening, and fees associated with the following professions: Agency affiliated counselors; certified counselors; and certified advisors.

(3) $150,000 of the state toxics control account--state appropriation is provided solely to provide water filtration systems for low-income households with individuals at high public health risk from nitrate-contaminated wells in the lower Yakima basin.

(4)(a) $64,000 of the medicaid fraud penalty account--state appropriation is provided solely for the department to integrate the prescription monitoring program into the coordinated care electronic tracking program developed in response to section 213, chapter 7, Laws of 2012, 2nd sp. sess., commonly referred to as the seven best practices in emergency medicine.

(b) The integration must provide prescription monitoring program data to emergency department personnel when the patient registers in the emergency department. Such exchange may be a private or public joint venture, including the use of the state health information exchange.

(c) As part of the integration, the department shall request insurers and third-party administrators that provide coverage to residents of Washington state to provide the following to the coordinated care electronic tracking program:

(i) Any available information regarding the assigned primary care provider, and the primary care provider's telephone and fax numbers. This information is to be used for real-time communication to an emergency department provider when caring for a patient; and

(ii) Information regarding any available care plans or treatment plans for patients with higher utilization of services on a regular basis. This information is to be provided to the treating provider.

(5) $270,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the Washington autism alliance to assist autistic individuals and families with autistic children during the transition to federal health reform.

(6) $6,000 of the general fund--state appropriation for fiscal year 2014 and $5,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to convene a work group to study and recommend language for standardized clinical affiliation agreements for clinical placements associated with the education and training of physicians licensed under chapter 18.71 RCW, osteopathic physicians and surgeons licensed under chapter 18.57 RCW, and nurses licensed under chapter 18.79 RCW. The work group shall

develop one recommended standardized clinical affiliation agreement for each profession or one recommended standardized clinical affiliation agreement for all three professions.

(a) When choosing members of the work group, the department shall consult with the health care personnel shortage task force and shall attempt to ensure that the membership of the work group is geographically diverse. The work group must, at a minimum, include representatives of the following:

(i) Two-year institutions of higher education;

(ii) Four-year institutions of higher education;

(iii) The University of Washington medical school;

(iv) The college of osteopathic medicine at the Pacific Northwest University of Health Sciences;

(v) The health care personnel shortage task force;

(vi) Statewide organizations representing hospitals and other facilities that accept clinical placements;

(vii) A statewide organization representing physicians;

(viii) A statewide organization representing osteopathic physicians and surgeons;

(ix) A statewide organization representing nurses;

(x) A labor organization representing nurses; and

(xi) Any other groups deemed appropriate by the department in consultation with the health care personnel shortage task force.

(b) The work group shall report its findings to the governor and the appropriate standing committees of the legislature no later than November 15, 2014.

(7) $65,000 of the general fund--state appropriation for fiscal year 2014 and $65,000 of the general fund--state appropriation for fiscal year 2015 are for the midwifery licensure and regulatory program to supplement revenue from fees. The department shall charge no more than five hundred twenty-five dollars annually for new or renewed licenses for the midwifery program.

(8) During the 2013-2015 fiscal biennium, each person subject to RCW 43.70.110(3)(c) is required to pay only one surcharge of up to twenty-five dollars annually for the purposes of RCW 43.70.112, regardless of how many professional licenses the person holds.

(9) $654,000 of the health professions account--state appropriation

is provided solely for the implementation of Engrossed Senate Bill No. 5206 (health sciences library). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(10) $35,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1003 (health professions licensees). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(11) $10,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1270 (board of denturists). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(12) $10,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1271 (denturism). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(13) $11,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1330 (dental hygienists, assistants). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(14) ((~~$1,008,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1343 (nurses surcharge). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.~~

~~(15)~~)) $34,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1376 (suicide assessment training). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(16)~~)) (15) $10,000 of the health professions account--state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 1515 (medical assistants). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(17)~~)) (16) $2,185,000 of the health professions account--state appropriation is provided solely for the implementation of Second Substitute House Bill No. 1518 (disciplinary authorities). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(18)~~)) (17) $141,000 of the general fund--private/local appropriation is provided solely for the implementation of Substitute House Bill No. 1525 (birth certificates). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(19)~~)) (18) $220,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1534 (impaired dentist program). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(20)~~)) (19) $51,000 of the health professions account--state appropriation is provided solely for the implementation of House Bill No. 1609 (board of pharmacy). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(21)~~)) (20) $12,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1629 (home care aide continuing education). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(22)~~)) (21) $18,000 of the health professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1737 (physician assistants). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(23)~~)) (22) $77,000 of the general fund--state appropriation for fiscal year 2014 and $38,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to develop a report on state efforts to prevent and control diabetes. The department, the health care authority, and the department of social and health services shall submit a coordinated report to the governor and the appropriate committees of the legislature by December 31, 2014, on the following:

(a) The financial impacts and reach that diabetes of all types and undiagnosed gestational diabetes are having on the programs administered by each agency and individuals, including children with mothers with undiagnosed gestational diabetes, enrolled in those programs. Items in this assessment must include: (i) The number of lives with diabetes and undiagnosed gestational diabetes impacted or covered by the programs administered by each agency; (ii) the number of lives with diabetes, or at risk for diabetes, and family members impacted by prevention and diabetes control programs implemented by each agency; (iii) the financial toll or impact diabetes and its

complications, and undiagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs in comparison to other chronic diseases and conditions; and (iv) the financial toll or impact diabetes and its complications, and diagnosed gestational diabetes and the complications experienced during labor to children of mothers with gestational diabetes places on these programs;

(b) An assessment of the benefits of implemented and existing programs and activities aimed at controlling all types of diabetes and preventing the disease. This assessment must also document the amount and source for any funding directed to each agency for the programs and activities aimed at reaching those with diabetes of all types;

(c) A description of the level of coordination existing between the agencies on activities, programmatic activities, and messaging on managing, treating, or preventing all types of diabetes and its complications;

(d) The development or revision of detailed policy-related action plans and budget recommendations for battling diabetes and undiagnosed gestational diabetes that includes a range of actionable items for consideration by the legislature. The plans and budget recommendations must identify proposed action steps to reduce the impact of diabetes, prediabetes, related diabetes complications, and undiagnosed gestational diabetes. The plans and budget recommendations must also identify expected outcomes of the action steps proposed in the following biennium while also establishing benchmarks for controlling and preventing all types of diabetes; and

(e) An estimate of savings, efficiencies, costs, and budgetary savings and resources required to implement the plans and budget recommendations identified in (d) of this subsection (23).

((~~(24)~~)) (23) Within the general fund--state amounts appropriated in this section, the department of health will develop and administer the certified home care aide examination translated into at least seven languages in addition to the languages in which the examination is available on the effective date of this act. The purpose of offering the examination in additional languages is to encourage an adequate supply of certified home care aides to meet diverse long-term care client needs.

**Sec. 220.** 2013 2nd sp.s. c 4 s 220 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF CORRECTIONS**

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund--State Appropriation (FY 2014) . . . . . ((~~$56,437,000~~)) $56,314,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$54,779,000~~)) $54,391,000

Data Processing Revolving Account--State Appropriation . . . . . $1,249,000

TOTAL APPROPRIATION . . . . . ((~~$112,465,000~~)) $111,954,000

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

(a) $35,000 of the general fund--state appropriation for fiscal year 2014 and $35,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

(b) $150,000 of the general fund--state appropriation for fiscal year 2014 and $75,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to contract with a consultant who can facilitate and provide project expertise on the implementation of community and prison based offender programming that follows the risk-needs-responsivity model.

(i) By September 1, 2013, the department shall provide to the consultant an inventory of all existing programming both in prisons and in community operations. The department shall consult with the Washington state institute for public policy (WSIPP) to determine whether programs are evidence-based or research-based using definitions provided by WSIPP and shall include this information on the inventory.

(ii) By ((~~October 1, 2013~~)) March 1, 2013, the consultant shall report to the department, the office of financial management, and legislative fiscal committees on the department's current plans and processes for managing offender programming including processes for phasing-out ineffective programs and implementing evidence-based or research-based programs. All department programs should be considered by the consultant regardless of whether they are included on the most recent list of WSIPP approved identifiable evidence-based practices in (b)(i) of this subsection.

(iii) The WSIPP, in consultation with the department, shall systematically review selected programs to determine the effectiveness of these programs at reducing recidivism or other outcomes. The WSIPP shall conduct a benefit-cost analysis of these programs when feasible and shall report to the legislature by December 1, 2013.

(iv) Based on the report provided by the consultant and the WSIPP review of programs, the department shall work collaboratively with the consultant to develop and complete a written comprehensive implementation plan by ((~~January 15, 2014~~)) June 30, 2014. The implementation plan must clearly identify the types of programs to be included, the recommended locations where the programs will be sited, an implementation timeline, and a phasing of the projected number of participants needed to meet the threshold of available program funds.

(v) Using the written implementation plan as a guide, the department must have programs in place and fully phased-in no later than ((~~June 30, 2015~~)) January 1, 2016.

(vi) The department shall hold the consultant on retainer to assist the department as needed throughout the implementation process. The consultant shall review quarterly the actual implementation compared to the written implementation plan and shall provide a report to the secretary of the department. The department shall provide reports to the office of financial management and legislative fiscal committees as follows:

(A) The written comprehensive implementation plan shall be provided by January 15, 2014; and

(B) Written progress updates shall be provided by July 1, 2014, and by December 1, 2014.

(c) The appropriations to the department of corrections in this act must be expended for the programs and in the amounts specified in this

section. However, after May 1, 2014, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund--state appropriations for fiscal year 2014 between programs. The department may not transfer funds, and the director of financial management may not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification must include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(2) CORRECTIONAL OPERATIONS

General Fund--State Appropriation (FY 2014) . . . . . ((~~$605,039,000~~))
$599,452,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$604,704,000~~))
$599,155,000

General Fund--Federal Appropriation . . . . . .((~~$3,322,000~~))
$5,126,000

Washington Auto Theft Prevention Authority Account--
State Appropriation . . . . . ((~~$7,585,000~~))
$7,584,000

Environmental Legacy Stewardship Account--State
Appropriation . . . . . $105,000

County Criminal Justice Assistance Account--State
Appropriation . . . . . $390,000

TOTAL APPROPRIATION . . . . . .((~~$1,221,145,000~~))
$1,211,812,000

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

(a) During the 2013-2015 fiscal biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to

the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(b) $501,000 of the general fund--state appropriation for fiscal year 2014 and $501,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to maintain the facility, property, and assets at the institution formerly known as the maple lane school in Rochester. The department may not house incarcerated offenders at the maple lane site until specifically directed to do so by the legislature.

(c) By ((~~December 1, 2013~~)) April 1, 2014, the department of corrections shall provide a report to the office of financial management and the appropriate fiscal and policy committees of the legislature that evaluates the department's inmate intake processes and expenditures and makes recommendations for improvements. The evaluation must include an analysis of lean management processes that, if adopted, could improve the efficiency and cost effectiveness of inmate intake.

(d) By December 1, 2013, the department of corrections shall provide a report to the office of financial management and the appropriate fiscal and policy committees of the legislature that evaluates the department's use of partial confinement and work release programs and makes recommendations for improving public safety and decreasing recidivism through increasing participation in partial confinement re-entry and work release programs. In making its recommendations, the department shall identify:

(i) Options for increasing the capacity of work release beds to meet the number of eligible offenders;

(ii) Potential cost savings to the state through contracting for or building new work release capacity;

(iii) Options for expanding eligibility for partial confinement, including creation of a structured re-entry program that includes stable housing, mandatory participation in evidence-based programs, and intensive supervision; and

(iv) Potential cost savings to the state from creation of a structured re-entry program.

(e) By December 1, 2013, the department of corrections shall provide a report to the office of financial management and the appropriate fiscal and policy committees of the legislature that evaluates the department's community parenting alternative program, and makes recommendations for increasing participation in the program with the goals of increasing public safety and decreasing recidivism. The evaluation shall include recommendations for increasing the placement of eligible offenders into the program and increasing eligibility to other populations. In making its recommendations, the department shall identify the percent of the eligible population currently entering the program, outcomes to-date for program participants, and potential cost savings from increasing placement of offenders into the program.

(f) The department of corrections shall contract with local and tribal governments for the provision of jail capacity to house offenders who violate the terms of their community supervision. A contract shall not have a cost of incarceration in excess of $85 per day per offender. A contract shall not have a year-to-year increase in excess of three percent per year. The contracts may include rates for the medical care of offenders which exceed the daily cost of incarceration and the limitation on year-to-year increase, provided that medical payments conform to the department's offender health plan, pharmacy formulary, and all off-site medical expenses are preapproved by department utilization management staff.

(g)(i) The legislature finds that it has taken several steps to mitigate the demand for prison capacity including funding evidence-based programming for offenders which is proven to reduce recidivism, funding evidence-based treatment alternatives to incarceration for drug-addicted offenders, standardizing inconsistencies in the drug sentencing grid, and authorizing the department to rent local jail beds. These steps will also assist the department's implementation of additional operational efficiencies by reducing costs related to offender intake, processing, and transportation.

(ii) Up to $1,119,000 of the general fund--state appropriation for fiscal year 2014 and up to $1,322,000 of the general fund--state appropriation for fiscal year 2015 may be used by the department to rent jail capacity for short-term offenders. In contracting for jail beds for short-term offenders, the department shall rent capacity from local and tribal governments to house offenders with an earned release

date of less than one hundred twenty days remaining on his or her sentence at the time the offender would otherwise be transferred to a state correctional facility. The contracted daily costs for these offenders shall not exceed $70 per offender including medical costs.

(h) The department of corrections shall issue a competitive solicitation by August 1, 2013, to contract with local jurisdictions for the use of inmate bed capacity in lieu of prison beds operated by the state. The department may contract for up to 300 beds statewide to the extent that it is at no net cost to the department. The department shall calculate and report the average cost per offender per day, inclusive of all services, on an annual basis for a facility that is representative of average medium or lower offender costs. The duration of the contracts may be for up to four years. The department shall not pay a rate greater than $65 per day per offender for all costs associated with the offender while in the local correctional facility to include programming and health care costs, or the equivalent of $65 per day per bed including programming and health care costs for full units. The capacity provided at local correctional facilities must be for offenders whom the department of corrections defines as medium or lower security offenders. Programming provided for inmates held in local jurisdictions is included in the rate, and details regarding the type and amount of programming, and any conditions regarding transferring offenders will be negotiated with the department as part of any contract. Local jurisdictions must provide health care to offenders that meet standards set by the department. The local jail will provide all medical care including unexpected emergent care. The department must utilize a screening process to ensure that offenders with existing extraordinary medical/mental health needs are not transferred to local jail facilities. If extraordinary medical conditions develop for an inmate while at a jail facility the jail may transfer the offender back to the department, subject to terms of the negotiated agreement. Health care costs incurred prior to transfer will be the responsibility of the jail. The department will report to legislative fiscal committees and the office of financial management by November 1, 2013, to provide a status update on implementation.

(i) The department shall convene a work group to develop health care cost containment strategies at local jail facilities. The work group shall identify cost containment strategies in place at the

department and at local jail facilities, identify the costs and benefits of implementing strategies in jail health-care facilities, and make recommendations on implementing beneficial strategies. The work group shall submit a report on its findings and recommendations to the fiscal committees of the legislature by October 1, 2013. The work group shall include jail administrators, representatives from health care facilities at the local jail level and the state prisons level, and other representatives as deemed necessary.

(j) $1,026,000 of the general fund--state appropriation for fiscal year 2014 and $781,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to expand the piloted risk-needs-responsivity model to include the use of cognitive behavioral therapy with evidence-based programming at two minimum security prison facilities and at the Monroe correctional complex.

(k) $23,653,000 of the general fund--state appropriation for fiscal year 2014 and $24,919,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for offender programming. Pursuant to section 220(1) of this act, the department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(l) $36,000 of the general fund--state appropriation for fiscal year 2014 and $36,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Engrossed Senate Bill No. 5484 (assault in the third-degree). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(m) $48,000 of the general fund--state appropriation for fiscal year 2014 and $48,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Engrossed Substitute House Bill No. 1383 (stalking protection orders). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(n) $36,000 of the general fund--state appropriation for fiscal year 2014 and $36,000 of the general fund--state appropriation for

fiscal year 2015 are provided solely for implementation of Senate Bill No. 5149 (crimes against pharmacies). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(o) $24,000 of the general fund--state appropriation for fiscal year 2014 and $24,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5669 (trafficking). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(p) $24,000 of the general fund--state appropriation for fiscal year 2014 and $24,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of Engrossed Senate Bill No. 5053 (vehicle prowling). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(q) $96,000 of the county criminal justice assistance--state appropriation is provided solely for implementation of Engrossed Senate Bill No. 5105 (rental vouchers for offenders). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(3) COMMUNITY SUPERVISION

General Fund--State Appropriation (FY 2014) . . . . . ((~~$130,568,000~~))
<u>$145,992,000</u>

General Fund--State Appropriation (FY 2015) . . . . . ((~~$131,973,000~~))
<u>$149,502,000</u>

County Criminal Justice Assistance Account--State . . . . . $2,249,000

Ignition Interlock Device Revolving Account--State . . . . . $2,200,000

<u>Seizure Account--State Appropriation . . . . . $32,000</u>

TOTAL APPROPRIATION . . . . . ((~~$266,990,000~~))
<u>$297,775,000</u>

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

(a) $1,906,000 of the county criminal justice assistance account--state appropriation and $2,200,000 of the ignition interlock device revolving account--state appropriation are provided solely for the department to contract for additional residential drug offender sentencing alternative treatment slots. By December 1, 2013, the department shall provide a report to the appropriate fiscal committees

of the house of representatives and the senate on the use of the additional treatment slots.

(b) $4,186,000 of the general fund--state appropriation for fiscal year 2014 and $6,362,000 of the general fund--state appropriation for fiscal year 2015 must be expended on evidence-based programs that follow the risk-needs-responsivity model. The department is authorized to use up to ten percent of these funds as necessary to secure physical space as needed to maximize program delivery of evidence-based treatment to all high-risk, high-need offenders in community supervision. Funding may be prioritized by the department to any program recognized as evidence-based for adult offenders by the Washington state institute for public policy.

(c) $16,513,000 of the general fund--state appropriation for fiscal year 2014 and $16,527,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for offender programming. Pursuant to section 220 (1) of this act, the department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(d) $107,000 of the county criminal justice--state appropriation is provided solely for implementation of Engrossed Senate Bill No. 5105 (rental vouchers for offenders). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(4) CORRECTIONAL INDUSTRIES

General Fund--State Appropriation (FY 2014) . . . . . ((~~$6,780,000~~))
$6,830,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$7,182,000~~))
$7,178,000

TOTAL APPROPRIATION . . . . . ((~~$13,962,000~~))
$14,008,000

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

(a) $3,293,000 of the general fund--state appropriation for fiscal year 2014 and $3,707,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the stewardship of McNeil

island. The department shall assume responsibility of all island maintenance excluding site specific maintenance operations for the special commitment center and the Pierce county secure transitional facility. The department shall as part of its industries program provide job skills to offenders while providing the minimum maintenance and preservation necessary for the state to remain in compliance with the federal deed for McNeil island. The department shall report on efficiencies and potential cost reductions to the office of financial management and legislative fiscal committees by December 15, 2013.

(b)(i) The department of social and health services shall transfer the stewardship of McNeil Island to the department of corrections industries program, effective September 1, 2013. The transferred responsibilities shall include marine operations, waste water treatment, water treatment, road maintenance, and any other general island maintenance that is not site specific to the operations of the special commitment center or the Pierce county secure community transition facility. Facility maintenance within the perimeter of the special commitment center shall remain the responsibility of the department of social and health services. Capital repairs and maintenance necessary to maintain the special commitment center on McNeil Island shall be managed by the department of social and health services. The legislature directs both departments to enter into an interagency agreement by August 1, 2013. The office of financial management shall oversee the negotiations of the interagency agreement. The interagency agreement must describe equipment that will transfer between the departments, warehouse space that will be shared by the departments, and occupancy requirements for any shops outside the perimeter of the special commitment center. The office of financial management will make the final determination on any disagreements between the departments on the details of the interagency agreement.

(ii) All employees of the department of social and health services engaged in performing the powers, functions, and duties transferred to the department of corrections industries program under this subsection, are transferred to the department of corrections.

(iii) All classified employees of department of social and health services assigned to the department of corrections under this subsection whose positions are within an existing bargaining unit description at the department of corrections shall become a part of the

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

(5) INTERAGENCY PAYMENTS

General Fund--State Appropriation (FY 2014) . . . . . ((~~$35,345,000~~))
<u>$41,894,000</u>

General Fund--State Appropriation (FY 2015) . . . . . ((~~$32,115,000~~))
<u>$38,434,000</u>

TOTAL APPROPRIATION . . . . . ((~~$67,460,000~~))
<u>$80,328,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: The state prison medical facilities may use funds appropriated in this subsection to purchase goods and supplies through hospital or other group purchasing organizations when it is cost effective to do so.

**Sec. 221.** 2013 2nd sp.s. c 4 s 221 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$2,242,000~~))
<u>$2,227,000</u>

General Fund--State Appropriation (FY 2015) . . . . . .((~~$2,197,000~~))
<u>$2,207,000</u>

General Fund--Federal Appropriation . . . . . ((~~$21,060,000~~))
<u>$21,035,000</u>

General Fund--Private/Local Appropriation . . . . . $60,000

TOTAL APPROPRIATION . . . . . ((~~$25,559,000~~))
<u>$25,529,000</u>

**Sec. 222.** 2013 2nd sp.s. c 4 s 222 (uncodified) is amended to read as follows:

**FOR THE EMPLOYMENT SECURITY DEPARTMENT**

General Fund--Federal Appropriation . . . . . .((~~$269,977,000~~))
<u>$269,660,000</u>

General Fund--Private/Local Appropriation . . . . . ((~~$34,206,000~~))
<u>$34,128,000</u>

Unemployment Compensation Administration Account--
Federal Appropriation . . . . . ((~~$320,006,000~~))

$340,125,000

Administrative Contingency Account--State
Appropriation . . . . . ((~~$22,728,000~~))
$22,401,000

Employment Service Administrative Account--State
Appropriation . . . . . ((~~$35,567,000~~))
$36,489,000

TOTAL APPROPRIATION . . . . . ((~~$682,484,000~~))
$702,803,000

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

(1) $5,000,000 of the unemployment compensation administration account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for continuing current unemployment insurance functions and department services to employers and job seekers.

(2) ((~~$12,386,000~~)) $23,585,000 of the unemployment compensation administration account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for the replacement of the unemployment insurance tax information system for the employment security department. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(3) $3,735,000 of the unemployment compensation account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for the replacement of call center technology to improve the integration of the telephone and computing systems to increase efficiency and improve customer service.

(4) $182,000 of the employment services administrative account--state appropriation is provided for costs associated with the second stage of the review and evaluation of the training benefits program as directed in section 15(2), chapter 4, Laws of 2011 (unemployment insurance program). This second stage shall be developed and conducted by the joint legislative audit and review committee and shall consist

of further work on the process study and net-impact/cost-benefit analysis components of the evaluation.

(5) $240,000 of the administrative contingency account--state appropriation is provided solely for the employment security department to contract with a center for workers in King county. The amount appropriated in this subsection shall be used by the contracted center for workers to support initiatives that generate high-skill, high-wage jobs; improve workforce and training systems; improve service delivery for dislocated workers; and build alliances with community and environmental organizations.

(6) The department is prohibited from expending amounts appropriated in this section for implementation of chapter 49.86 RCW.

(7) $251,000 of the unemployment compensation administration account--federal appropriation is from amounts made available to the state by section 903(g) of the social security act (Reed act). This amount is provided solely for the replacement of the unemployment insurance benefit system for the employment security department. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(End of part)

## PART III
## NATURAL RESOURCES

**Sec. 301.** 2013 2nd sp.s. c 4 s 301 (uncodified) is amended to read as follows:

**FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$445,000~~)) $442,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$446,000~~)) $456,000

General Fund--Federal Appropriation . . . . . $31,000

General Fund--Private/Local Appropriation . . . . . ((~~$874,000~~)) $881,000

TOTAL APPROPRIATION . . . . . ((~~$1,796,000~~)) $1,810,000

**Sec. 302.** 2013 2nd sp.s. c 4 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$25,929,000~~)) $25,983,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$25,506,000~~)) $25,283,000

General Fund--Federal Appropriation . . . . . ((~~$105,230,000~~)) $102,897,000

General Fund--Private/Local Appropriation . . . . . ((~~$16,912,000~~)) $16,879,000

Reclamation Account--State Appropriation . . . . . ((~~$3,735,000~~)) $3,989,000

Flood Control Assistance Account--State Appropriation . . . . . ((~~$1,985,000~~)) $1,980,000

State Emergency Water Projects Revolving Account--State Appropriation . . . . . $40,000

Waste Reduction/Recycling/Litter Control--State Appropriation . . . . . ((~~$9,722,000~~)) $9,705,000

State Drought Preparedness Account--State Appropriation . . . $204,000

State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation . . . . ((~~$426,000~~)) $424,000

Environmental Legacy Stewardship Account--State Appropriation . . . . . ((~~$43,748,000~~)) $44,914,000

Aquatic Algae Control Account--State Appropriation . . . . . $513,000

Water Rights Tracking System Account--State Appropriation . . . . . $46,000

Site Closure Account--State Appropriation . . . . . .((~~$556,000~~)) $554,000

Wood Stove Education and Enforcement Account--State Appropriation . . . . . ((~~$612,000~~)) $610,000

Worker and Community Right-to-Know Account--State Appropriation . . . . . ((~~$1,701,000~~)) $1,695,000

Water Rights Processing Account--State Appropriation . . . . . $135,000

State Toxics Control Account--State Appropriation . . ((~~$124,238,000~~)) $125,175,000

State Toxics Control Account--Private/Local Appropriation . . . . . .((~~$979,000~~)) $977,000

Local Toxics Control Account--State Appropriation . . . ((~~$3,774,000~~)) $3,760,000

Water Quality Permit Account--State Appropriation . . . ((~~$40,982,000~~)) $41,746,000

Underground Storage Tank Account--State Appropriation . . . . . ((~~$3,347,000~~)) $3,340,000

Biosolids Permit Account--State Appropriation . . . . . ((~~$1,848,000~~)) $2,141,000

Hazardous Waste Assistance Account--State Appropriation . . . . . ((~~$6,037,000~~)) $6,024,000

Air Pollution Control Account--State Appropriation . . . . . $3,128,000

Oil Spill Prevention Account--State Appropriation . . . ((~~$5,684,000~~))

$6,325,000

Air Operating Permit Account--State Appropriation . . . ((~~$3,132,000~~)) $3,142,000

Freshwater Aquatic Weeds Account--State Appropriation . . . . . ((~~$1,409,000~~)) $1,407,000

Oil Spill Response Account--State Appropriation . . . . . .$7,076,000

Water Pollution Control Revolving Account--State Appropriation . . . . . ((~~$356,000~~)) $354,000

Water Pollution Control Revolving Account--Federal Appropriation . . . . . ((~~$1,505,000~~)) $1,496,000

Water Pollution Control Revolving Administration Account--State Appropriation . . . . . $1,021,000

Radioactive Mixed Waste Account--State Appropriation . . . . . ((~~$13,800,000~~)) $14,336,000

TOTAL APPROPRIATION . . . . . .((~~$455,316,000~~)) $457,299,000

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

(1) $170,000 of the oil spill prevention account--state appropriation is provided solely for a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(2) Pursuant to RCW 43.135.055, the department is authorized to increase the following fees as necessary to meet the actual costs of conducting business and the appropriation levels in this section: Wastewater discharge permit, not more than 4.55 percent in fiscal year 2014 and 4.63 percent in fiscal year 2015; mixed waste management service charge authorized in RCW 70.105.280, not more than 1.82 percent in fiscal year 2014 and 0.62 percent in fiscal year 2015; and reasonably available control technology fee.

(3) $1,981,000 of the state toxics control account--state appropriation is for the department to provide training regarding the benefits of low-impact development including, but not limited to, when

the use of low-impact development is appropriate and feasible, and the design, installation, maintenance, and best practices of low-impact development. The department will consult with Washington State University extension low-impact development technical center and others in the development of the low-impact technical training. As appropriate, the department may contract with the Washington State University extension low-impact development technical center, private sector vendors, associations, and others to deliver the technical training. The training must be provided free of cost to phase I and phase II permittees and the private development community including builders, engineers, and other industry professionals. The training must be sequenced geographically and provided in time for local jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By August 1, 2013, the department of ecology shall provide the governor and appropriate legislative committees a plan for how low-impact development training funds will be spent during fiscal years 2014 through 2017.

(4) $440,000 of the state toxics control account--state appropriation is provided solely for administering the water pollution control facilities financial assistance program authorized in chapter 90.50A RCW.

(5) $350,000 of the state toxics control account--state appropriation is provided solely for the Spokane river regional toxics task force to support their efforts to address elevated levels of polychlorinated biphenyls in the Spokane river. Funding will be used to determine the extent of the cleanup required, implement cleanup actions to meet applicable water quality standards, and prevent recontamination.

(6) $516,000 of the state toxics control account--state appropriation is provided solely for the department to support an ultrafine particulate study to determine how, if at all, the biomass cogeneration facilities in Port Townsend and Port Angeles may impact air quality and the health of citizens in the region.

(7) $65,000 of the water quality permit account--state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 1245 (derelict and abandoned vessels). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(9)~~)) (8) The department shall collaborate with the middle snake river watershed, WRIA 35 planning unit in implementing its watershed plan.

((~~(10)~~)) (9)(a) $14,000,000 of the general fund--state appropriation for fiscal year 2014 and $14,000,000 of the general fund--state appropriation for fiscal year 2015 are for activities within the water resources program.

(b) Of the amounts provided in (a) of this subsection, $500,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for processing water right permit applications only if the department of ecology issues at least five hundred water right decisions in fiscal year 2014, and if the department of ecology does not issue at least five hundred water right decisions in fiscal year 2014 the amount provided in this subsection shall lapse and remain unexpended. The department of ecology shall submit a report to the office of financial management and the state treasurer by June 30, 2014, that documents whether five hundred water right decisions were issued in fiscal year 2014. For the purposes of this subsection, applications that are voluntarily withdrawn by an applicant do not count towards the five hundred water right decision requirement. For the purposes of water budget-neutral requests under chapter 173-539A WAC, multiple domestic connections authorized within a single water budget-neutral decision are considered one decision for the purposes of this subsection.

((~~(11)~~)) (10) The department of ecology, in consultation with the office of financial management, shall prepare a facilities plan to reduce the agency's facilities obligation and the agency's cost per FTE for its facilities by 2017 to align with comparable state agencies. The plan must be submitted to the office of financial management and the appropriate legislative fiscal committees by November 1, 2013. The plan must include: (a) An inventory of all currently owned and leased buildings, consistent with the data provided through the state's facilities inventory process prescribed by the office of financial management annually by September 1st; (b) a list of facilities solutions that will reduce costs with an emphasis on consolidation, collocation, and alternative space solutions such as shared workspace and mobile work; and (c) a department-wide coordinated process and plan for regularly evaluating facility needs.

**Sec. 303.** 2013 2nd sp.s. c 4 s 303 (uncodified) is amended to read as follows:

**FOR THE STATE PARKS AND RECREATION COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$4,254,000~~))
$4,365,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$4,254,000~~))
$4,744,000

General Fund--Federal Appropriation . . . . . .((~~$6,014,000~~))
$6,007,000

Winter Recreation Program Account--State
Appropriation . . . . . ((~~$2,065,000~~))
$2,464,000

ORV and Nonhighway Vehicle Account--State
Appropriation . . . . . ((~~$215,000~~))
$214,000

Snowmobile Account--State Appropriation . . . . . .((~~$4,859,000~~))
$4,857,000

Aquatic Lands Enhancement Account--State Appropriation . . . . $363,000

Parks Renewal and Stewardship Account--State
Appropriation . . . . . ((~~$103,065,000~~))
$105,053,000

Parks Renewal and Stewardship Account--Private/Local
Appropriation . . . . . $300,000

Waste Reduction/Recycling/Litter Control Account--State
Appropriation . . . . . $1,700,000

TOTAL APPROPRIATION . . . . . .((~~$127,089,000~~))
$130,067,000

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

(1) $79,000 of the general fund--state appropriation for fiscal year 2014 and $79,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a grant for the operation of the Northwest weather and avalanche center.

(2) Prior to closing any state park, the commission must notify all affected local governments and relevant nonprofit organizations of the intended closure and provide an opportunity for the notified local governments and nonprofit organizations to elect to acquire, or enter

into, a maintenance and operating contract with the commission that would allow the park to remain open.

(3) The commission shall prepare a report on its efforts to increase revenue from all sources, including the discover pass. The report shall also include a status update on the fiscal health of the state parks system, and shall be submitted to the office of financial management and the appropriate committees of the legislature by October 28, 2013.

**Sec. 304.** 2013 2nd sp.s. c 4 s 304 (uncodified) is amended to read as follows:

**FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$823,000~~))
$836,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$815,000~~))
$959,000

General Fund--Federal Appropriation . . . . . ((~~$3,425,000~~))
$3,416,000

General Fund--Private/Local Appropriation . . . . . ((~~$24,000~~))
$124,000

Aquatic Lands Enhancement Account--State Appropriation . . . . $480,000

Firearms Range Account--State Appropriation . . . . . $37,000

Recreation Resources Account--State Appropriation . . . ((~~$3,086,000~~))
$3,159,000

NOVA Program Account--State Appropriation . . . . . ((~~$964,000~~))
$962,000

TOTAL APPROPRIATION . . . . . ((~~$9,654,000~~))
$9,973,000

**Sec. 305.** 2013 2nd sp.s. c 4 s 305 (uncodified) is amended to read as follows:

**FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$2,227,000~~))
$2,210,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$2,147,000~~))
$2,181,000

TOTAL APPROPRIATION . . . . . ((~~$4,374,000~~))
$4,391,000

**Sec. 306.** 2013 2nd sp.s. c 4 s 306 (uncodified) is amended to read as follows:

**FOR THE CONSERVATION COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$6,841,000~~)) $6,819,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$6,738,000~~)) $6,742,000

General Fund--Federal Appropriation . . . . . $2,301,000

State Toxics Control Account--State Appropriation . . . . . $1,000,000

TOTAL APPROPRIATION . . . . . ((~~$16,880,000~~)) $16,862,000

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

(1) Within the amounts appropriated in this section, the conservation commission, in consultation with conservation districts, must submit to the office of financial management and legislative fiscal committees by December 10, 2013, a report outlining opportunities to minimize districts' overhead costs, including consolidation of conservation districts within counties in which there is more than one district. The report must include details on the anticipated future savings that could be expected from implementing these efficiencies starting on July 1, 2014.

(2) $300,000 of the general fund--state appropriation for fiscal year 2014 and $246,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement the voluntary stewardship program in Thurston and Chelan counties. These amounts may not be used to fund agency indirect and administrative expenses.

(3) $1,000,000 of the general fund--federal appropriation is provided solely to implement the voluntary stewardship program statewide. The commission shall place the appropriation in this subsection in unallotted status, and may not allot any of these funds until the federal government has provided funding to the commission for the purpose of implementing the voluntary stewardship program.

(4) The conservation commission must evaluate the current system for the election of conservation district board supervisors and recommend improvements to ensure the highest degree of public involvement in these elections. The commission must engage with stakeholder groups and conservation districts to gather a set of

options for improvement to district elections, which must include an option aligning district elections with state and local general elections. The commission must submit a report detailing the options to the office of financial management and appropriate committees of the legislature by December 10, 2013.

**Sec. 307.** 2013 2nd sp.s. c 4 s 307 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$30,321,000~~))
$33,083,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$28,999,000~~))
$30,105,000

General Fund--Federal Appropriation . . . . . .((~~$107,585,000~~))
$107,649,000

General Fund--Private/Local Appropriation . . . . . ((~~$58,784,000~~))
$58,516,000

ORV and Nonhighway Vehicle Account--State
Appropriation . . . . . ((~~$397,000~~))
$393,000

Aquatic Lands Enhancement Account--State
Appropriation . . . . . ((~~$15,919,000~~))
$15,901,000

Recreational Fisheries Enhancement--State
Appropriation . . . . . ((~~$2,590,000~~))
$2,608,000

Environmental Legacy Stewardship Account--State
Appropriation . . . . . $1,224,000

Warm Water Game Fish Account--State Appropriation . . . ((~~$2,507,000~~))
$2,498,000

Eastern Washington Pheasant Enhancement Account--State
Appropriation . . . . . $849,000

Aquatic Invasive Species Enforcement Account--State
Appropriation . . . . . ((~~$209,000~~))
$208,000

Aquatic Invasive Species Prevention Account--State
Appropriation . . . . . ((~~$737,000~~))
$734,000

State Wildlife Account--State Appropriation . . . . . ((~~$103,460,000~~)) $103,968,000

Special Wildlife Account--State Appropriation . . . . . ((~~$2,405,000~~)) $2,402,000

Special Wildlife Account--Federal Appropriation . . . . . .$500,000

Special Wildlife Account--Private/Local Appropriation . . . . . ((~~$3,446,000~~)) $3,443,000

Wildlife Rehabilitation Account--State Appropriation . . . . . $259,000

Hydraulic Project Approval Account--State Appropriation . . . $674,000

Regional Fisheries Enhancement Salmonid Recovery Account--Federal Appropriation . . . . . $5,001,000

Oil Spill Prevention Account--State Appropriation . . . . ((~~$917,000~~)) $914,000

Oyster Reserve Land Account--State Appropriation . . . . . ((~~$773,000~~)) $772,000

TOTAL APPROPRIATION . . . . . .((~~$367,556,000~~)) $371,701,000

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

(1) ((~~$130,000~~)) $2,997,000 of the general fund--state appropriation for fiscal year 2014 and $130,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to pay for emergency fire suppression costs. These amounts may not be used to fund agency indirect and administrative expenses.

(2) Prior to submitting its 2015-2017 biennial operating and capital budget request related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review this request. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests are being made in the most cost effective manner. The department shall provide a copy of the HSRG review to the office of financial management with their agency budget proposal.

(3) $400,000 of the general fund--state appropriation for fiscal year 2014 and $400,000 of the general fund--state appropriation for

fiscal year 2015 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the U.S. army corps of engineers.

(4) Within the amounts appropriated in this section, the department shall identify additional opportunities for partnerships in order to keep fish hatcheries operational. Such partnerships shall aim to maintain fish production and salmon recovery with less reliance on state operating funds.

(5) During the 2013-2015 fiscal biennium, the department must retain ownership and continue to occupy the downtown Olympia office building at 600 Capitol Way.

(6) $1,000,000 of the state wildlife account--state appropriation is provided solely to the department for resources that serve to promote and engage nonlethal deterrence methods relating to wolf and livestock interaction with a priority given to funding cooperative agreements with livestock producers, and of this amount, $250,000 in fiscal year 2014 is provided solely for compensation for injury or loss of livestock caused by wolves as prescribed in chapter 77.36 RCW.

(7) $100,000 of the state wildlife account--state appropriation is provided solely for the transfer of trout from the Clarks creek hatchery to the Lakewood hatchery.

(8) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the production of steelhead, coho, and Chinook salmon at the Clarks creek hatchery.

(9) $200,000 of the state wildlife account--state appropriation, $50,000 of the general fund--state appropriation for fiscal year 2014, and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the department to increase production of juvenile fall Chinook on the Cowlitz river. The funds provided may be used to match or leverage funds from private or public sources for the same purpose.

(10) $596,000 of the general fund--state appropriation for fiscal year 2014 and $596,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for weed assessments and for payments in lieu of real property taxes to counties that elect to receive the payments for department owned game lands within the county.

(11) $10,000 of the aquatic lands enhancement account--state appropriation is provided solely for development of an aquatic invasive species passport program to improve the efficiency and effectiveness of watercraft inspections by expediting aquatic invasive species watercraft inspections for watercraft at low risk of transmitting invasive species and prioritizing the use of available resources for the inspection of high risk vessels.

(12) Within the amounts appropriated in this section, the department must deploy additional wildlife conflict specialists to provide landowner assistance and address wildlife conflicts, with at least one additional specialist primarily assigned to each of the following areas: Administrative region six of the department; Okanogan and Chelan counties in administrative region two of the department; and Whatcom and Skagit counties in administrative region four of the department.

(13) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of House Bill No. 1112 (science and public policy). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(14) Within the amounts appropriated in this section the department shall work with the regional fisheries enhancement groups to identify a revenue source or sources capable of providing long-term funding to support the community-based salmon restoration work of regional fisheries enhancement groups. The department shall work with the regional fisheries enhancement group coalition to submit a report to the office of financial management and the appropriate legislative committees by December 1, 2013, with the outcomes and recommendations.

**Sec. 308.** 2013 2nd sp.s. c 4 s 308 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF NATURAL RESOURCES**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$42,515,000~~))
$50,948,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$45,092,000~~))
$45,405,000

General Fund--Federal Appropriation . . . . . ((~~$26,963,000~~))
$26,947,000

General Fund--Private/Local Appropriation . . . . . .$2,372,000
Forest Development Account--State Appropriation . . . . ((~~$49,054,000~~))
$50,532,000
ORV and Nonhighway Vehicle Account--State
Appropriation . . . . . ((~~$4,494,000~~))
$4,478,000
Surveys and Maps Account--State Appropriation . . . . . ((~~$2,170,000~~))
$1,673,000
Aquatic Lands Enhancement Account--State
Appropriation . . . . . ((~~$3,634,000~~))
$3,599,000
Snowmobile Account--State Appropriation . . . . . .$100,000
Environmental Legacy Stewardship Account--State
Appropriation . . . . . $3,948,000
Resources Management Cost Account--State
Appropriation . . . . . ((~~$111,073,000~~))
$116,216,000
Surface Mining Reclamation Account--State
Appropriation . . . . . ((~~$3,972,000~~))
$3,959,000
Disaster Response Account--State Appropriation . . . . . $5,000,000
Forest and Fish Support Account--State
Appropriation . . . . . ((~~$11,759,000~~))
$11,757,000
Aquatic Land Dredged Material Disposal Site
Account--State Appropriation . . . . . ((~~$843,000~~))
$462,000
Natural Resources Conservation Areas Stewardship
Account--State Appropriation . . . . . $34,000
Marine Resources Stewardship Trust Account--State
Appropriation . . . . . $3,700,000
State Toxics Control Account--State Appropriation . . . . . $80,000
Forest Practices Application Account--State
Appropriation . . . . . $1,697,000
Air Pollution Control Account--State Appropriation . . . . ((~~$785,000~~))
$784,000
NOVA Program Account--State Appropriation . . . . . .((~~$950,000~~))
$948,000

Derelict Vessel Removal Account--State
Appropriation . . . . . ((~~$1,770,000~~))
$1,769,000

Agricultural College Trust Management Account--State
Appropriation . . . . . ((~~$2,712,000~~))
$2,704,000

TOTAL APPROPRIATION . . . . . ((~~$324,717,000~~))
$339,112,000

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

(1) $1,389,000 of the general fund--state appropriation for fiscal year 2014 and $1,323,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) ((~~$19,099,000~~)) $27,099,000 of the general fund--state appropriation for fiscal year 2014, $19,099,000 of the general fund--state appropriation for fiscal year 2015, and $5,000,000 of the disaster response account--state appropriation are provided solely for emergency fire suppression. None of the general fund and disaster response account amounts provided in this subsection may be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations. The department of natural resources shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from the disaster response account. This work shall be done in coordination with the military department.

(3) $5,000,000 of the forest and fish support account--state appropriation is provided solely for outcome-based, performance contracts with tribes to participate in the implementation of the forest practices program. Contracts awarded may only contain indirect costs set at or below the rate in the contracting tribe's indirect cost agreement with the federal government. If federal funding for this purpose is reinstated, the amount provided in this subsection shall lapse.

(4) $518,000 of the forest and fish support account--state appropriation is provided solely for outcome-based performance contracts with nongovernmental organizations to participate in the implementation of the forest practices program. Contracts awarded may only contain indirect cost set at or below a rate of eighteen percent.

(5) $717,000 of the forest and fish support account--state appropriation is provided solely to fund interagency agreements with the department of ecology and the department of fish and wildlife as part of the adaptive management process.

(6) $440,000 of the state general fund--state appropriation for fiscal year 2014 and $440,000 of the state general fund--state appropriation for fiscal year 2015 are provided solely for forest work crews that support correctional camps and are contingent upon continuing operations of Naselle youth camp.

(7) $2,382,000 of the resource management cost account--state appropriation is for addressing the growing backlog of expired aquatic leases and new aquatic lease applications. The department shall implement a Lean process to improve the lease review process and further reduce the backlog, and submit a report on its progress in addressing the backlog and implementation of the Lean process to the governor and the appropriate committees of the legislature by October 1, 2013.

(8) $1,948,000 of the environmental legacy stewardship account--state appropriation is provided solely for the department to pay a portion of the costs to complete remedial investigation work at Whitmarsh landfill and Mill site A and perform final-year maintenance of the Olympic view triangle site in Commencement Bay.

(9) $265,000 of the resources management cost account--state appropriation is provided solely for implementation of Second Substitute House Bill No. 1764 (geoduck diver licenses). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(10) $425,000 of the derelict vessel removal account--state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 1245 (derelict and abandoned vessels). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(11) $3,700,000 of the marine resources stewardship trust account--state appropriation is provided solely for implementation of priority marine management planning efforts including mapping activities, ecological assessment, data tools, stakeholder engagement, and all other work identified in Engrossed Senate Bill No. 5603 (marine advisory councils) during the 2013-2015 fiscal biennium.

**Sec. 309.** 2013 2nd sp.s. c 4 s 309 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF AGRICULTURE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$15,300,000~~))
$15,274,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$15,294,000~~))
$15,199,000

General Fund--Federal Appropriation . . . . . ((~~$23,098,000~~))
$23,010,000

General Fund--Private/Local Appropriation . . . . . .$192,000

Aquatic Lands Enhancement Account--State
Appropriation . . . . . ((~~$2,837,000~~))
$2,832,000

State Toxics Control Account--State Appropriation . . . ((~~$5,203,000~~))
$5,195,000

Water Quality Permit Account--State Appropriation . . . . . ((~~$70,000~~))
$73,000

TOTAL APPROPRIATION . . . . . ((~~$61,994,000~~))
$61,775,000

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

(1) $5,308,445 of the general fund--state appropriation for fiscal year 2014 and $5,302,905 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementing the food assistance program as defined in RCW 43.23.290.

(2) Pursuant to RCW 43.135.055 and 16.57.220, the department is authorized to institute livestock inspection fees in the 2013-2015 fiscal biennium for calves less than thirty days old.

(3) Pursuant to RCW 43.135.055 and 16.36.150, the department is authorized to establish a fee for the sole purpose of purchasing and

operating a database and any other technology or software needed to administer animal disease traceability activities for cattle sold or slaughtered in the state or transported out of the state.

(4) Within the amounts appropriated in this section, the department of agriculture must convene and facilitate a work group with appropriate stakeholders to review fees supporting programs within the department that are also supported with state general fund. In developing strategies to make the program work more self-supporting, the workgroup will consider, at minimum, the length of time since the last fee increase, similar fees that exist in neighboring states, and fee increases that will ensure reasonable competitiveness in the respective industries. The workgroup must submit a report containing recommendations that will make each of the fee supported programs within the department less reliant on state general fund to the office of financial management and legislative fiscal committees by December 1, 2013.

**Sec. 310.** 2013 2nd sp.s. c 4 s 310 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

Pollution Liability Insurance Program Trust Account--State Appropriation . . . . . ((~~$987,000~~)) $999,000

**Sec. 311.** 2013 2nd sp.s. c 4 s 311 (uncodified) is amended to read as follows:

**FOR THE PUGET SOUND PARTNERSHIP**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$2,416,000~~)) $2,398,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$2,318,000~~)) $2,391,000

General Fund--Federal Appropriation . . . . . ((~~$11,570,000~~)) $11,615,000

Aquatic Lands Enhancement Account--State Appropriation . . . $1,920,000

State Toxics Control Account--State Appropriation . . . . ((~~$676,000~~)) $681,000

TOTAL APPROPRIATION . . . . . ((~~$18,900,000~~)) $19,005,000

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

(1) $788,000 of the aquatic lands enhancement account--state appropriation is provided solely for coordinating a study of Puget Sound juvenile steelhead marine survival conducted by the department of fish and wildlife and based on a study plan developed in cooperation with federal, tribal, and nongovernmental entities.

(2) By October 1, 2014, the Puget Sound partnership shall provide the governor a single, prioritized list of state agency 2015-2017 capital and operating budget requests related to Puget Sound restoration.

(End of part)

## PART IV
## TRANSPORTATION

**Sec. 401.** 2013 2nd sp.s. c 4 s 401 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,103,000~~))
$1,087,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,341,000~~))
$1,729,000

Architects' License Account--State Appropriation . . . . . ((~~$902,000~~))
$900,000

Professional Engineers' Account--State
Appropriation . . . . . ((~~$3,558,000~~))
$3,536,000

Real Estate Commission Account--State Appropriation . . ((~~$9,929,000~~))
$9,911,000

Uniform Commercial Code Account--State
Appropriation . . . . . ((~~$3,154,000~~))
$3,138,000

Real Estate Education Account--State Appropriation . . . . . $276,000

Real Estate Appraiser Commission Account--State
Appropriation . . . . . ((~~$1,703,000~~))
$1,704,000

Business and Professions Account--State
Appropriation . . . . . ((~~$17,454,000~~))
$17,436,000

Funeral and Cemetery Account--State Appropriation . . . . . .$5,000

Landscape Architects' License Account--State Appropriation . . . $4,000

Appraisal Management Company Account--State
Appropriation . . . . . $4,000

Real Estate Research Account--State Appropriation . . . . . .$415,000

Wildlife Account--State Appropriation . . . . . $32,000

Geologists' Account--State Appropriation . . . . . .$52,000

Derelict Vessel Removal Account--State Appropriation . . . . . $31,000

TOTAL APPROPRIATION . . . . . ((~~$39,963,000~~))
$40,260,000

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

(1) $566,000 of the business and professions account--state appropriation is provided solely for the implementation of Engrossed Substitute House Bill No. 1552 (scrap metal theft reduction). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(2) $166,000 of the business and professions account--state appropriation in fiscal year 2014 only is provided solely for the implementation of Substitute House Bill No. 1779 (esthetics). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(3) $592,000 of the business and professions account--state appropriation is provided solely for the implementation of Substitute House Bill No. 1822 (debt collection practices). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(4) $32,000 of the state wildlife account--state appropriation is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5193 (wolf conflict management). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(5) $409,000 of the general fund--state appropriation is provided solely for seven temporary staff to eliminate the firearm transfer backlog of 144,000 documents by June 30, 2015. The department shall convene a work group to develop a report on making the firearms program a fee recovery program. The work group must examine changes including but not limited to making firearm transfer reporting mandatory, charging a fee for firearms transfer recording, and recommending cost recovery methods to keep up with demand. The report shall be presented to the office of financial management no later than June 30, 2015.

**Sec. 402.** 2013 2nd sp.s. c 4 s 402 (uncodified) is amended to read as follows:

**FOR THE STATE PATROL**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$34,653,000~~))
$35,941,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$32,485,000~~))

$34,986,000

General Fund--Federal Appropriation . . . . . ((~~$16,189,000~~))
$15,869,000

General Fund--Private/Local Appropriation . . . . . ((~~$3,020,000~~))
$3,019,000

Death Investigations Account--State Appropriation . . . ((~~$9,956,000~~))
$9,940,000

Enhanced 911 Account--State Appropriation . . . . . $3,480,000

County Criminal Justice Assistance Account--State
Appropriation . . . . . ((~~$3,332,000~~))
$3,319,000

Municipal Criminal Justice Assistance Account--State
Appropriation . . . . . ((~~$1,351,000~~))
$1,345,000

Fire Service Trust Account--State Appropriation . . . . . $131,000

Disaster Response Account--State Appropriation . . . . . $8,000,000

Fire Service Training Account--State Appropriation . . . ((~~$9,797,000~~))
$9,783,000

Aquatic Invasive Species Enforcement Account--State
Appropriation . . . . . $54,000

State Toxics Control Account--State Appropriation . . . . ((~~$516,000~~))
$515,000

Fingerprint Identification Account--State
Appropriation . . . . . ((~~$10,747,000~~))
$10,709,000

Vehicle License Fraud Account--State Appropriation . . . . ((~~$447,000~~))
$226,000

TOTAL APPROPRIATION . . . . . ((~~$134,158,000~~))
$137,317,000

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

(1) $200,000 of the fire service training account--state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) $8,000,000 of the disaster response account--state appropriation is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 through 43.43.964. The state patrol shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from this account. This work shall be done in coordination with the military department.

(3) $700,000 of the fire service training account--state appropriation is provided solely for the firefighter apprenticeship training program.

(4) $3,480,000 of the enhanced 911 account--state appropriation is provided solely for upgrades to the Washington state identification system and the Washington crime information center. Amounts provided in this subsection may not be expended until the office of the chief information officer approves a plan to move the Washington state patrol's servers and data center equipment into the state data center in the 1500 Jefferson building, and the office of the chief information officer certifies that the Washington state patrol has begun the move. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(5) $154,000 of the fingerprint identification account--state appropriation is provided solely for implementation of Substitute House Bill No. 1612 (firearms offenders). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(End of part)

## PART V
## EDUCATION

**Sec. 501.** 2013 2nd sp.s. c 4 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$27,264,000~~)) $27,326,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$26,041,000~~)) $27,031,000

General Fund--Federal Appropriation . . . . . ((~~$63,826,000~~)) $66,625,000

General Fund--Private/Local Appropriation . . . . . ((~~$4,005,000~~)) $4,004,000

Performance Audits of Government Account--State Appropriation . . . . . $200,000

TOTAL APPROPRIATION . . . . . .((~~$121,336,000~~)) $125,186,000

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

(1) A maximum of ((~~$16,881,000~~)) $17,049,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$16,602,000~~)) $17,216,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) ((~~$8,846,000~~)) $9,014,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$8,910,000~~)) $8,765,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school,

using a uniform definition of unexcused absence as established by the superintendent.

(iii) By September of each year, the office of the superintendent of public instruction shall produce an annual status report of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of staff, number of contractors, status of proviso implementation, number of beneficiaries by year, list of beneficiaries, and proviso outcomes and achievements.

(iv) The superintendent of public instruction shall update the program prepared and distributed under RCW 28A.230.150 for the observation of temperance and good citizenship day to include providing an opportunity for eligible students to register to vote at school.

((~~(vi) Appropriations in this section are sufficient for the office of the superintendent of public instruction to conduct ongoing consolidated program reviews of alternative learning experience programs and dropout reengagement programs established under chapter 20, Laws of 2010. The office of the superintendent of public instruction shall include alternative learning education and dropout reengagement programs in their ongoing consolidated program reviews, as well as provide outreach and training to school districts regarding implementation of the programs. Findings from the program reviews will be used to support and prioritize office of the superintendent outreach and education efforts that assist school districts in implementing the programs in accordance with statute and legislative intent, as well as to support financial and performance audit work conducted by the office of the state auditor.~~))

(b) $1,017,000 of the general fund--state appropriation for fiscal year 2014 and $1,017,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for activities associated with the implementation of new school finance systems required by chapter 236, Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009 (state's education system), including technical staff, systems reprogramming, and workgroup deliberations, including the quality education council and the data governance working group.

(c) $1,012,000 of the general fund--state appropriation for fiscal year 2014 and $1,012,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the operation and expenses of

the state board of education, including basic education assistance activities. Of these amounts, $161,000 of the general fund--state appropriation for fiscal year 2014 and $161,000 of the general fund--state appropriation for fiscal year 2015 are provided for implementation of Initiative Measure No. 1240 (charter schools).

(d) $1,325,000 of the general fund--state appropriation for fiscal year 2014 and $1,325,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to the professional educator standards board for the following:

(i) $1,050,000 in fiscal year 2014 and $1,050,000 in fiscal year 2015 are for the operation and expenses of the Washington professional educator standards board;

(ii) $250,000 of the general fund--state appropriation for fiscal year 2014 and $250,000 of the general fund--state appropriation for fiscal year 2015 are for mentor stipends provided through the alternative routes to certification program administered by the professional educator standards board, including the pipeline for paraeducators program and the retooling to teach conditional loan programs. Funding within this subsection (1)(d)(ii) is also provided for the recruiting Washington teachers program; and

(iii) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the professional educator standards board to develop educator interpreter standards and identify interpreter assessments that are available to school districts. Interpreter assessments should meet the following criteria: (A) Include both written assessment and performance assessment; (B) be offered by a national organization of professional sign language interpreters and transliterators; and (C) be designed to assess performance in more than one sign system or sign language. The board shall establish a performance standard, defining what constitutes a minimum assessment result, for each educational interpreter assessment identified. The board shall publicize the standards and assessments for school district use.

(e) $133,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$133,000~~)) $263,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the

implementation of chapter 240, Laws of 2010, including staffing the office of equity and civil rights.

(f) $50,000 of the general fund--state appropriation for fiscal year 2014 and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the ongoing work of the education opportunity gap oversight and accountability committee.

(g) $45,000 of the general fund--state appropriation for fiscal year 2014 and $45,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of chapter 380, Laws of 2009 (enacting the interstate compact on educational opportunity for military children).

(h) $131,000 of the general fund--state appropriation for fiscal year 2014 and $131,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of Initiative Measure No. 1240 (charter schools).

(i) $1,826,000 of the general fund--state appropriation for fiscal year 2014 and $1,802,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementing a comprehensive data system to include financial, student, and educator data, including development and maintenance of the comprehensive education data and research system (CEDARS).

(j) $25,000 of the general fund--state appropriation for fiscal year 2014 and $25,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for project citizen, a program sponsored by the national conference of state legislatures and the center for civic education to promote participation in government by middle school students.

(k) $1,500,000 of the general fund--state appropriation for fiscal year 2014 and $1,500,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for collaborative schools for innovation and success authorized under chapter 53, Laws of 2012. The office of the superintendent of public instruction shall award $500,000 per year in funding for each collaborative school for innovation and success selected for participation in the pilot program during 2012.

(l) $123,000 of the general fund--state appropriation for fiscal year 2014 and $123,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of chapter 163, Laws of 2012 (foster care outcomes). The office of the superintendent

of public instruction shall annually report each December on the implementation of the state's plan of cross-system collaboration to promote educational stability and improve education outcomes of foster youth.

(m) $250,000 of the general fund--state appropriation for fiscal year 2014 and $250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of chapter 178, Laws of 2012 (open K-12 education resources).

(n) $93,000 of the general fund--state appropriation for fiscal year 2014 and $93,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for chapter 185, Laws of 2011 (bullying prevention, which requires the office of the superintendent of public instruction to convene an ongoing workgroup on school bullying and harassment prevention. Within the amounts provided, $140,000 is for youth suicide prevention activities.

(o) $138,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of House Bill No. 1336 (troubled youth in school). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(p) $68,000 of the general fund--state appropriation for fiscal year 2014 and $14,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of House Bill No. 1134 (state-tribal education compacts). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(q) $62,000 of the general fund--state appropriation for fiscal year 2014 and $62,000 of the general fund--state appropriation for fiscal year 2015 are for competitive grants to school districts to increase the capacity of high schools to offer AP computer science courses. In making grant allocations, the office of the superintendent of public instruction must give priority to schools and districts in rural areas, with substantial enrollment of low-income students, and that do not offer AP computer science. School districts may apply to receive either or both of the following grants:

(i) A grant to establish partnerships to support computer science professionals from private industry serving on a voluntary basis as coinstructors along with a certificated teacher, including via synchronous video, for AP computer science courses; or

(ii) A grant to purchase or upgrade technology and curriculum needed for AP computer science, as well as provide opportunities for professional development for classroom teachers to have the requisite knowledge and skills to teach AP computer science.

(r) $27,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of House Bill No. 1556 (cardiac arrest education).

(s) $50,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the development of recommendations for funding integrated school nursing and outreach services. The office of the superintendent of public instruction shall collaborate with the health care authority to develop recommendations for increasing federal financial participation for providing nursing services in schools with the goals of integrating nursing and outreach services and supporting one nurse for every four-hundred fifty students in elementary schools and one nurse for every seven-hundred fifty students in secondary schools. The recommendations shall include proposals for funding training and reimbursement for nurses that provide outreach services to help eligible students enroll in apple health for kids and other social services programs. The authority and the office of the superintendent of public instruction shall provide these recommendations to the governor and the legislature by December 1, 2013.

(t) $50,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the office of the superintendent of public instruction to contract with an organization to develop a model plan for evaluating the outcomes of state funded pilot education programs, including guidelines for standard data that must be gathered throughout any education pilot program, as well as guidance for data and evaluation methods depending on the design of the program and the target population. The contract must also include a provision to provide guidance for the evaluation of existing pilot programs.

(u) $10,000 of the general fund--state appropriation for fiscal year 2014 and $10,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the superintendent of public instruction to convene a committee for the selection and recognition of Washington innovative schools. The committee shall select and recognize Washington innovative schools based on the selection criteria established by the office of the superintendent of public instruction,

in accordance with chapter 202, Laws of 2011 (innovation schools--recognition) and chapter 260, Laws of 2011 (innovation schools and zones).

(v) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Mobius science center to expand mobile outreach of science, technology, engineering, and mathematics (STEM) education to students in rural, tribal, and low-income communities.

(w) $495,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of the superintendent of public instruction to develop and support math and science curriculum that aligns with common core state standards and next generation science standards. The office of the superintendent of public instruction shall work with the department of natural resources, the department of fish and wildlife, the Puget Sound partnership, and the department of ecology in developing environmental science curriculum. Of this amount, $150,000 is provided solely for grants to school districts to implement curriculum changes aligned with common core state standards and next generation science standards.

(x) $134,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of the superintendent of public instruction to perform on-going program reviews of alternative learning experience programs and dropout reengagement programs. Appropriations in this section are sufficient for the office of the superintendent of public instruction to conduct ongoing consolidated program reviews of alternative learning experience programs and dropout reengagement programs established under chapter 20, Laws of 2010. The office of the superintendent of public instruction shall include alternative learning education and dropout reengagement programs in their ongoing consolidated program reviews, as well as provide outreach and training to school districts regarding implementation of the programs. Findings from the program reviews will be used to support and prioritize office of the superintendent outreach and education efforts that assist school districts in implementing the programs in accordance with statute and legislative intent, as well as to support financial and performance audit work conducted by the office of the state auditor.

(2) $200,000 of the performance audits of government account--state appropriation is provided solely for a one-time workload increase to address additional audit resolutions and appeals in the alternative learning experience programs.

(3) $10,277,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$9,565,000~~)) $9,815,000 of the general fund--state appropriation for fiscal year 2015 are for statewide programs.

(a) HEALTH AND SAFETY

(i) $2,541,000 of the general fund--state appropriation for fiscal year 2014 and $2,541,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(ii) $135,000 of the general fund--state appropriation for fiscal year 2014 and $135,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a nonviolence and leadership training program provided by the institute for community leadership.

(b) TECHNOLOGY

$1,221,000 of the general fund--state appropriation for fiscal year 2014 and $1,221,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(c) GRANTS AND ALLOCATIONS

(i) $1,875,000 of the general fund--state appropriation for fiscal year 2014 and $1,875,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state achievers scholarship program. The funds shall be used to support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars.

(ii) $1,000,000 of the general fund--state appropriation for fiscal year 2014 and $1,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for contracting with a college

scholarship organization with expertise in conducting outreach to students concerning eligibility for the Washington college bound scholarship consistent with chapter 405, Laws of 2007.

(iii) $1,000,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$1,000,000~~)) $1,250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for dropout prevention, intervention, and reengagement programs, including the jobs for America's graduates (JAG) program and the building bridges statewide program. Students in the foster care system shall be given priority by districts offering the jobs for America's graduates program. The office of the superintendent of public instruction shall convene staff representatives from high schools to meet and share best practices for dropout prevention. $250,000 of the amount provided in fiscal year 2015 is for small grants to high schools to implement or improve early warning dropout systems.

(iv) $2,112,000 of the general fund--state appropriation for fiscal year 2014 and $1,400,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of chapter 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the development and implementation of the Washington kindergarten inventory of developing skills (WaKIDS).

(v) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to subsidize advanced placement exam fees and international baccalaureate class fees and exam fees for low-income students. To be eligible for the subsidy, a student must be either enrolled or eligible to participate in the federal free or reduced price lunch program, and the student must have maximized the allowable federal contribution. The office of the superintendent of public instruction shall set the subsidy in an amount so that the advanced placement exam fee does not exceed $15.00 and the combined class and exam fee for the international baccalaureate does not exceed $14.50.

(vi) $293,000 of the general fund--state appropriation for fiscal year 2014 and $293,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the office of the superintendent of public instruction to support ((~~the dissemination of~~

~~the navigation 101 curriculum to all districts~~)) district implementation of comprehensive guidance and planning programs consistent with RCW 28A.600.045.

**Sec. 502.** 2013 2nd sp.s. c 4 s 502 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**

General Fund--State Appropriation (FY 2014) . . . . ((~~$5,395,289,000~~)) $5,390,386,000

General Fund--State Appropriation (FY 2015) . . . . ((~~$5,581,336,000~~)) $5,515,439,000

Education Legacy Trust Account--State Appropriation . . . . . ((~~$328,563,000~~)) $425,372,000

TOTAL APPROPRIATION . . . . . ((~~$11,305,188,000~~)) $11,331,197,000

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

(1)(a) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) For the 2013-14 and 2014-15 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary schedules in sections 502 and 503 of this act, excluding (c) of this subsection.

(c) From July 1, 2013, to August 31, 2013, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp. sess., as amended.

(d) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. Any school district concluding its basic education

program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2013-14 and 2014-15 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260, except that the allocation for guidance counselors in a middle school shall be 1.216 and the allocation for guidance counselors in a high school shall be 2.009, which enhancements are within the program of basic education. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:

| Grade | RCW 28A.150.260 | 2013-14 School Year | 2014-15 School Year |
|---|---|---|---|
| Grades K-3 | ..... | 25.23 | 25.23 |
| Grade 4 | ..... | 27.00 | 27.00 |
| Grades 5-6 | ..... | 27.00 | 27.00 |
| Grades 7-8 | ..... | 28.53 | 28.53 |
| Grades 9-12 | ..... | 28.74 | 28.74 |

The superintendent shall base allocations for career and technical education (CTE) and skill center programs average class size as provided in RCW 28A.150.260.

(ii) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

(A) General education class size in high poverty schools:

| Grade | | RCW 28A.150.260 |
|---|---|---|
| Grade 2 | ..... | 24.10 |
| Grade 3 | ..... | 24.10 |
| Grade 4 | ..... | 27.00 |
| Grades 5-6 | ..... | 27.00 |
| Grades 7-8 | ..... | 28.53 |
| Grades 9-12 | ..... | 28.74 |

(B) For grades K-1, class size of 20.85 is provided for high poverty schools for the 2013-14 school year;

(C) For grades K through 1, the superintendent shall, at a minimum, allocate funding to high-poverty schools for the 2014-15 school year based on an average class size of 24.10 full-time equivalent students per teacher. The superintendent shall provide enhanced funding for class size reduction in grades K through 1 to the extent of, and proportionate to, the school's demonstrated actual average class size up to a class size of 20.30 full-time equivalent students per teacher. The office of the superintendent of public instruction shall develop rules to implement the enhanced funding authorized under (ii)(C) of this subsection and shall distribute draft rules for review no later than December 1, 2013. The office of the superintendent of public instruction shall report the draft rules and proposed methodology to the governor and the appropriate policy and fiscal committees of the legislature by December 1, 2013.

(D) The enhancement in this subsection (2)(c)(ii) is within the program of basic education.

(iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is:

(A) 13.42 percent in grades K-6 ((,))for the 2013-14 and 2014-15 school years; and

(B) 16.67 percent in grades 7-12 for the 2013-14 school year, and 22.24 percent in grades 7-12 for the 2014-15 school year. The enhancement in this subsection (2)(c)(iii)(B) is within the program of basic education and is sufficient to fund increased instructional hours for grades 7-12 provided in subsection (13) of this section; and

(iv) Laboratory science, advanced placement, and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260 and (a) of this subsection and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 students:

Career and Technical Education
students . . . . . 2.02 per 1000 student FTE's
Skill Center students . . . . . 2.36 per 1000 student FTE's

(3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2013-14 and 2014-15 school years for general education students are determined using the formula generated staff units calculated pursuant to this subsection. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent enrollment in each grade. The following prototypical school values shall determine the allocation for principals, assistance principals, and other certificated building level administrators:

| Prototypical School Building: | |
|---|---|
| Elementary School | 1.253 |
| Middle School | 1.353 |

High School ..... 1.880

(b) Students in approved career and technical education and skill center programs generate certificated school building-level administrator staff units at per student rates that are a multiple of the general education rate in (a) of this subsection by the following factors: Career and Technical Education students . . . . . 1.025
Skill Center students . . . . . 1.198

(4) CLASSIFIED STAFF ALLOCATIONS

Allocations for classified staff units providing school building-level and district-wide support services for the 2013-14 and 2014-15 school years are determined using the formula-generated staff units provided in RCW 28A.150.260, and adjusted based on each district's annual average full-time equivalent student enrollment in each grade, except that the allocation for parent involvement coordinators in an elementary school shall be 0.0825, which enhancement is within the program of basic education.

(5) CENTRAL OFFICE ALLOCATIONS

In addition to classified and administrative staff units allocated in subsections (3) and (4) of this section, classified and administrative staff units are provided for the 2013-14 and 2014-15 school year for the central office administrative costs of operating a school district, at the following rates:

(a) The total central office staff units provided in this subsection (5) are calculated by first multiplying the total number of eligible certificated instructional, certificated administrative, and classified staff units providing school-based or district-wide support services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

(b) Of the central office staff units calculated in (a) of this subsection, 74.53 percent are allocated as classified staff units, as generated in subsection (4) of this section, and 25.47 percent shall be allocated as administrative staff units, as generated in subsection (3) of this section.

(c) Staff units generated as enhancements outside the program of basic education to the minimum requirements of RCW 28A.150.260, and staff units generated by skill center and career-technical students,

are excluded from the total central office staff units calculation in (a) of this subsection.

(d) For students in approved career-technical and skill center programs, central office classified units are allocated at the same staff unit per student rate as those generated for general education students of the same grade in this subsection (5), and central office administrative staff units are allocated at staff unit per student rates that exceed the general education rate established for students in the same grade in this subsection (5) by 1.71 percent in the 2013-14 school year and 2.00 percent in the 2014-15 school year for career and technical education students, and ((~~21.60~~)) 21.57 percent in the 2013-14 school year and ((~~15.98~~)) 16.03 percent in the 2014-15 school year for skill center students.

(6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of 18.68 percent in the 2013-14 school year and 18.68 percent in the 2014-15 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of 20.95 percent in the 2013-14 school year and 20.95 percent in the 2014-15 school year for classified salary allocations provided under subsections (4) and (5) of this section.

(7) INSURANCE BENEFIT ALLOCATIONS

Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504 of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsections (2), (3), and (5) of this section; and

(b) The number of classified staff units determined in subsections (4) and (5) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

Funding is allocated per annual average full-time equivalent

student for the materials, supplies, and operating costs (MSOC) incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

| MSOC Component | 2013-14 SCHOOL YEAR | 2014-15 SCHOOL YEAR |
|---|---|---|
| Technology | $77.46 | $82.16 |
| Utilities and Insurance | $210.46 | $223.23 |
| Curriculum and Textbooks | $83.17 | $88.21 |
| Other Supplies and Library Materials | $176.56 | $187.27 |
| Instructional Professional Development for Certificated and Classified Staff | $12.86 | $13.64 |
| Facilities Maintenance | $104.27 | $110.59 |
| Security and Central Office | $72.24 | $76.62 |
| TOTAL BASIC EDUCATION MSOC/STUDENT FTE | $737.02 | $781.72 |

(b) Students in approved skill center programs generate per student FTE MSOC allocations of $1,244.25 for the 2013-14 school year and ((~~$1,262.92~~)) $1,264.15 for the 2014-15 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation of $1,399.30 for the 2013-14 school year and ((~~$1,420.29~~)) $1,421.68 for the 2014-15 school year.

(d) Students in laboratory science courses generate per student FTE MSOC allocations which equal the per student FTE rate for general education students established in (a) of this subsection.

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2013-14 and 2014-15 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of $151.86.

(10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section from July 1, 2013, to August 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of 2011 1st sp. sess. (allocation of funding for funding for students enrolled in alternative learning experiences).

(b) Amounts provided in this section beginning September 1, 2013, are adjusted to reflect modifications to alternative learning experience courses in Engrossed Substitute Senate Bill No. 5946 (student educational outcomes).

(c) The superintendent of public instruction shall require all districts receiving general apportionment funding for alternative learning experience (ALE) programs as defined in WAC 392-121-182 to provide separate financial accounting of expenditures for the ALE programs offered in district or with a provider, including but not limited to private companies and multidistrict cooperatives, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

(11) DROPOUT REENGAGEMENT PROGRAM FUNDING

Starting with the 2014-15 school year, the superintendent of public instruction shall require all districts claiming general apportionment funding for dropout reengagement programs authorized under RCW 28A.175.100 through 28A.175.115 to meet minimum weekly instructional contact requirements. The superintendent shall revise its rules accordingly to implement this subsection. Districts must also provide separate financial accounting of expenditures for the open door programs offered in district or with a provider, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

(12) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

Funding in this section is sufficient to fund voluntary full day kindergarten programs in qualifying high poverty schools, pursuant to RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls for the voluntary full-day program in a qualifying school shall count as one-half of one full-time equivalent student for purpose of making allocations under this section. Funding in this section provides full-day kindergarten programs for 43.75 percent of kindergarten enrollment

in the 2013-14 school year and ((~~43.75~~)) 44.22 percent in the 2014-15 school year, which enhancement is within the program of basic education.

((~~(12)~~)) (13) INCREASED INSTRUCTIONAL HOURS FOR GRADES SEVEN THROUGH TWELVE

((~~(a)~~)) School districts shall implement the increased instructional hours for the instructional program of basic education required under the provisions of RCW 28A.150.220(2)(a) beginning with the 2014-15 school year, which enhancement is within the program of basic education.

((~~(b)~~)) Amounts provided in this section are sufficient to fund increased instructional hours in grades seven through twelve. ((~~For the 2014-15 school year, the superintendent shall allocate funding to school districts for increased instructional hours. In calculating the allocations, the superintendent shall assume the following averages: (a) Additional instruction of 2.2222 hours per week per full-time equivalent student in grades seven through twelve in school year 2014-15; (b) the general education average class sizes specified in section 502(2)(c); (c) 36 instructional weeks per year; (d) 900 instructional hours per teacher; and (e) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act~~)) Funding to provide for 2.2222 hours additional instructional hours per week for grades seven to twelve beginning with the 2014-15 school year is allocated through the percentage in subsection (2)(c)(iii)(B) of this section.

((~~(13)~~)) (14) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND NECESSARY PLANTS

For small school districts and remote and necessary school plants within any district which have been judged to be remote and necessary by the superintendent of public instruction, additional staff units are provided to ensure a minimum level of staffing support. Additional administrative and certificated instructional staff units provided to districts in this subsection shall be reduced by the general education staff units, excluding career and technical education and skills center enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small

school plants within any school district which have been judged to be remote and necessary by the superintendent of public instruction and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(b) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the superintendent of public instruction:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(c) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools, except as noted in this subsection:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full-time

equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full-time equivalent students;

(iii) Districts receiving staff units under this subsection shall add students enrolled in a district alternative high school and any grades nine through twelve alternative learning experience programs with the small high school enrollment for calculations under this subsection;

(d) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit;

(e) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit;

(f)(i) For enrollments generating certificated staff unit allocations under (a) through (e) of this subsection, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(ii) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit; and

(g) School districts receiving additional staff units to support small student enrollments and remote and necessary plants under this subsection (12) shall generate additional MSOC allocations consistent with the nonemployee related costs (NERC) allocation formula in place for the 2010-11 school year as provided in section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for inflation.

((~~(14)~~)) (15) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public

instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

((~~(15)~~)) (16) The superintendent may distribute funding for the following programs outside the basic education formula during fiscal years 2014 and 2015 as follows:

(a) $605,000 of the general fund--state appropriation for fiscal year 2014 and $614,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW.

(b) $436,000 of the general fund--state appropriation for fiscal year 2014 and $436,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed $500 per full-time equivalent student enrolled in those programs.

((~~(16)~~)) (17) $214,000 of the general fund--state appropriation for fiscal year 2014 and $217,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for school district emergencies as certified by the superintendent of public instruction. At the close of the fiscal year the superintendent of public instruction shall report to the office of financial management and the appropriate fiscal committees of the legislature on the allocations provided to districts and the nature of the emergency.

((~~(17)~~)) (18) Funding in this section is sufficient to fund a maximum of 1.6 FTE enrollment for skills center students pursuant to chapter 463, Laws of 2007.

((~~(18)~~)) (19) Students participating in running start programs may be funded up to a combined maximum enrollment of 1.2 FTE including school district and institution of higher education enrollment. In calculating the combined 1.2 FTE, the office of the superintendent of public instruction may average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and higher education

institution. Additionally, the office of the superintendent of public instruction, in consultation with the state board for community and technical colleges, the student achievement council, and the education data center, shall annually track and report to the fiscal committees of the legislature on the combined FTE experience of students participating in the running start program, including course load analyses at both the high school and community and technical college system.

((~~(19)~~)) (20) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (12) of this section, the following apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (12) of this section shall be reduced in increments of twenty percent per year.

((~~(20)~~)) (21)(a) Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed 15 percent of the combined basic education and career and technical education program enhancement allocations of state funds. Middle and secondary career and technical education programs are considered separate programs for funding and financial reporting purposes under this section.

(b) Career and technical education program full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported career and technical education program enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support.

**Sec. 503.** 2013 2nd sp.s. c 4 s 505 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$365,120,000~~))
$365,048,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$427,408,000~~))
$376,082,000

Education Legacy Trust Account--State
Appropriation . . . . . .$52,672,000

TOTAL APPROPRIATION . . . . . ((~~$792,528,000~~))
$793,802,000

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school district programs for the transportation of eligible students as provided in RCW 28A.160.192 or for approved schools and eligible students as provided in RCW 28A.710.220(3). Students are considered eligible only if meeting the definitions provided in RCW 28A.160.160. Funding in this section for school year 2014-15 constitutes full implementation of RCW 28A.160.192, which enhancement is within the program of basic education.

(b) From July 1, 2013 to August 31, 2013, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 505, chapter 50, Laws of 2011 1st sp. sess., as amended.

(3) A maximum of $892,000 of this fiscal year 2014 appropriation and a maximum of $892,000 of the fiscal year 2015 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(4) The office of the superintendent of public instruction shall provide reimbursement funding to a school district for school bus purchases only after the superintendent of public instruction determines that the school bus was purchased from the list established

pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(5) The superintendent of public instruction shall base depreciation payments for school district buses on the pre-sales tax five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

(6) Funding levels in this section reflect waivers granted by the state board of education for four-day school weeks as allowed under RCW 28A.305.141.

(7) The office of the superintendent of public instruction shall annually disburse payments for bus depreciation in August.

**Sec. 504.** 2013 2nd sp.s. c 4 s 506 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

General Fund--State Appropriation (FY 2014) . . . . . $7,111,000
General Fund--State Appropriation (FY 2015) . . . . . $7,111,000
General Fund--Federal Appropriation . . . . . ((~~$473,326,000~~))
$481,525,000
TOTAL APPROPRIATION . . . . . ((~~$487,548,000~~))
$495,747,000

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

(1) $7,111,000 of the general fund--state appropriation for fiscal year 2014 and $7,111,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for state matching money for federal child nutrition programs, and may support the meals for kids program through the following allowable uses:

(a) Elimination of breakfast copays for eligible public school students and lunch copays for eligible public school students in grades kindergarten through third grade who are eligible for reduced price lunch;

(b) Assistance to school districts and authorized public and

private nonprofit organizations for supporting summer food service programs, and initiating new summer food service programs in low-income areas;

(c) Reimbursements to school districts for school breakfasts served to students eligible for free and reduced price lunch, pursuant to chapter 287, Laws of 2005; and

(d) Assistance to school districts in initiating and expanding school breakfast programs.

The office of the superintendent of public instruction shall report annually to the fiscal committees of the legislature on annual expenditures in (a), (b), and (c) of this subsection.

**Sec. 505.** 2013 2nd sp.s. c 4 s 507 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$702,149,000~~))
$699,288,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$738,043,000~~))
$726,250,000

General Fund--Federal Appropriation . . . . . .((~~$462,022,000~~))
$472,906,000

Education Legacy Trust Account--State Appropriation . . ((~~$46,151,000~~))
$57,484,000

TOTAL APPROPRIATION . . . . . .((~~$1,948,365,000~~))
$1,955,928,000

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

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2)(a) The superintendent of public instruction shall ensure that:

(i) Special education students are basic education students first;

(ii) As a class, special education students are entitled to the full basic education allocation; and

(iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall continue to implement the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school district programs for special education students as provided in RCW 28A.150.390, ((~~except that the calculation of the base allocation also~~)) which includes allocations for increased instructional hours for grades seven through twelve as provided under section 502((~~(12)(b)~~)) (13) for the 2014-15 school year, which enhancement is within the program of basic education.

(b) From July 1, 2013 to August 31, 2013, the superintendent shall allocate funding to school district programs for special education students as provided in section 507, chapter 50, Laws of 2011 1st sp. sess., as amended.

(5) The following applies throughout this section: The definitions for enrollment and enrollment percent are as specified in RCW 28A.150.390(3). Each district's general fund--state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 12.7 percent.

(6) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with RCW 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(7) ((~~$22,263,000~~)) $17,578,000 of the general fund--state appropriation for fiscal year 2014, ((~~$34,392,000~~)) $29,948,000 of the general fund--state appropriation for fiscal year 2015, and $29,574,000 of the general fund--federal appropriation are provided solely for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (4) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (7) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. At the conclusion of each school year, the superintendent shall recover safety net funds that were distributed prospectively but for which districts were not subsequently eligible.

(a) For the 2013-14 and 2014-15 school years, safety net funds shall be awarded by the state safety net oversight committee as provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

(b) The office of the superintendent of public instruction shall make award determinations for state safety net funding in August of each school year. Determinations on school district eligibility for state safety net awards shall be based on analysis of actual expenditure data from the current school year.

(8) A maximum of $678,000 may be expended from the general fund--state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(9) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(10) A school district may carry over from one year to the next year up to 10 percent of the general fund--state funds allocated under this program; however, carryover funds shall be expended in the special education program.

(11) $252,000 of the general fund--state appropriation for fiscal year 2014 and $252,000 of the general fund--state appropriation for

fiscal year 2015 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

(12) $50,000 of the general fund--state appropriation for fiscal year 2014, $50,000 of the general fund--state appropriation for fiscal year 2015, and $100,000 of the general fund--federal appropriation shall be expended to support a special education ombudsman program within the office of superintendent of public instruction.

**Sec. 506.** 2013 2nd sp.s. c 4 s 508 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$8,143,000~~))
$8,131,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$8,151,000~~))
$8,134,000

TOTAL APPROPRIATION . . . . . ((~~$16,294,000~~))
$16,265,000

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

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) Funding within this section is provided for regional professional development related to mathematics and science curriculum and instructional strategies aligned with common core state standards and next generation science standards. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support.

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.305.130, may

receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

**Sec. 507.** 2013 2nd sp.s. c 4 s 509 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$311,174,000~~))
$311,882,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$335,533,000~~))
$336,216,000

TOTAL APPROPRIATION . . . . . ((~~$646,707,000~~))
$648,098,000

The appropriations in this section are subject to the following conditions and limitations: For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 4.914 percent from the 2012-13 school year to the 2013-14 school year and 4.914 percent from the 2013-14 school year to the 2014-15 school year.

**Sec. 508.** 2013 2nd sp.s. c 4 s 510 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$15,291,000~~))
$13,744,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$15,493,000~~))
$13,676,000

TOTAL APPROPRIATION . . . . . ((~~$30,784,000~~))
$27,420,000

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

(1) Each general fund--state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) ((~~$1,070,000~~)) $776,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$1,070,000~~)) $776,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

**Sec. 509.** 2013 2nd sp.s. c 4 s 511 (uncodified) is amended to read as follows:

**FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$9,555,000~~))
$9,567,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$9,677,000~~))
$9,715,000

TOTAL APPROPRIATION . . . . . ((~~$19,232,000~~))
$19,282,000

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c). In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2013, to August 31, 2013, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 50, Laws of 2011 1st sp. sess., as amended.

(3) $85,000 of the general fund--state appropriation for fiscal year 2014 and $85,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the centrum program at Fort Worden state park.

**Sec. 510.** 2013 2nd sp.s. c 4 s 512 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

General Fund--Federal Appropriation . . . . . ((~~$4,052,000~~))
$4,302,000

**Sec. 511.** 2013 2nd sp.s. c 4 s 513 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$121,840,000~~))
$114,798,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$104,524,000~~))

$103,131,000

General Fund--Federal Appropriation . . . . . ((~~$206,234,000~~))

$217,818,000

General Fund--Private/Local Appropriation . . . . . $4,002,000

Education Legacy Trust Account--State

Appropriation . . . . . ((~~$1,599,000~~))

$1,598,000

TOTAL APPROPRIATION . . . . . ((~~$438,199,000~~))

$441,347,000

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

(1)(a) ((~~$44,575,000~~)) $38,031,000 of the general fund--state appropriation for fiscal year 2014, ((~~$27,134,000~~)) $23,131,000 of the general fund--state appropriation for fiscal year 2015, $1,350,000 of the education legacy trust account--state appropriation, and $15,868,000 of the general fund--federal appropriation are provided solely for development and implementation of the Washington state assessment system, including: (i) Development and implementation of retake assessments for high school students who are not successful in one or more content areas and (ii) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student assessment results, on or around June 10th of each year. State funding to districts shall be limited to one collection of evidence payment per student, per content-area assessment.

(b) The superintendent of public instruction shall modify the statewide student assessment system and implement assessments developed with a multistate consortium beginning in the 2014-15 school year to assess student proficiency on the standards adopted under RCW 28A.655.071 and including the provisions of House Bill No. 1450.

(2) $356,000 of the general fund--state appropriation for fiscal year 2014 and $356,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional

partnership activities coordinated at the Pacific science center, including instructional material purchases, teacher and principal professional development, and school and community engagement events.

(3) $5,851,000 of the general fund--state appropriation for fiscal year 2014 and $3,935,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of a new performance-based evaluation for certificated educators and other activities as provided in chapter 235, Laws of 2010 (education reform) and chapter 35, Laws of 2012 (certificated employee evaluations).

(4)(a) ((~~$45,263,000~~)) $44,879,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$49,673,000~~)) $48,746,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(i) For national board certified teachers, a bonus of $5,090 per teacher in the 2013-14 and 2014-15 school years;

(ii) An additional $5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced price lunch;

(iii) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (a)(ii) of this subsection for less than one full school year receive bonuses in a pro-rated manner. All bonuses in (a)(i) and (ii) of this subsection will be paid in July of each school year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced by a factor of 40 percent for first year NBPTS certified teachers, to reflect the portion of the instructional school year they are certified; and

(iv) During the 2013-14 and 2014-15 school years, and within available funds, certificated instructional staff who have met the eligibility requirements and have applied for certification from the

national board for professional teaching standards may receive a conditional loan of two thousand dollars or the amount set by the office of the superintendent of public instruction to contribute toward the current assessment fee, not including the initial up-front candidacy payment. The fee shall be an advance on the first annual bonus under RCW 28A.405.415. The conditional loan is provided in addition to compensation received under a district's salary schedule and shall not be included in calculations of a district's average salary and associated salary limitation under RCW 28A.400.200. Recipients who fail to receive certification after three years are required to repay the conditional loan. The office of the superintendent of public instruction shall adopt rules to define the terms for initial grant of the assessment fee and repayment, including applicable fees. To the extent necessary, the superintendent may use revenues from the repayment of conditional loan scholarships to ensure payment of all national board bonus payments required by this section in each school year.

(5) $477,000 of the general fund--state appropriation for fiscal year 2014 and $477,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(6) $950,000 of the general fund--state appropriation for fiscal year 2014 and $950,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.

(7) $810,000 of the general fund--state appropriation for fiscal year 2014 and $810,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to operate a state-of-the-art education leadership academy that will be accessible throughout the state. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners shall include the state

level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(8) $2,000,000 of the general fund--state appropriation for fiscal year 2014 and $2,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a statewide information technology (IT) academy program. This public-private partnership will provide educational software, as well as IT certification and software training opportunities for students and staff in public schools.

(9) $1,277,000 of the general fund--state appropriation for fiscal year 2014 and $1,277,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008. If equally matched by private donations, $300,000 of the 2014 appropriation and $300,000 of the 2015 appropriation shall be used to support FIRST robotics programs. Of the amounts in this subsection, $100,000 of the fiscal year 2014 appropriation and $100,000 of the fiscal year 2015 appropriation are provided solely for the purpose of statewide supervision activities for career and technical education student leadership organizations.

(10) $125,000 of the general fund--state appropriation for fiscal year 2014 and $125,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of $2,500 to provide twenty middle and high school teachers each year with professional development training for implementing integrated math, science, technology, and engineering programs in their schools.

(11) $135,000 of the general fund--state appropriation for fiscal year 2014 and $135,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for science, technology, engineering and mathematics lighthouse projects, consistent with chapter 238, Laws of 2010.

(12) $1,000,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$1,000,000~~)) $4,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a beginning

educator support program. In fiscal year 2015, the program shall prioritize first year teachers in the mentoring program. School districts and/or regional consortia may apply for grant funding. The superintendent shall implement this program in 5 to 15 school districts and/or regional consortia. The program provided by a district and/or regional consortia shall include: A paid orientation; assignment of a qualified mentor; development of a professional growth plan for each beginning teacher aligned with professional certification; release time for mentors and new teachers to work together; and teacher observation time with accomplished peers. $250,000 may be used to provide statewide professional development opportunities for mentors and beginning educators. It is intended that funding will be provided in the 2015-2017 fiscal biennium to offer the program to all first-year teachers in the state.

(13) $250,000 of the general fund--state appropriation for fiscal year 2014 and $250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for advanced project lead the way courses at ten high schools. To be eligible for funding in 2014, a high school must have offered a foundational project lead the way course during the 2012-13 school year. The 2014 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2013-14 school year. To be eligible for funding in 2015, a high school must have offered a foundational project lead the way course during the 2013-14 school year. The 2015 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2014-15 school year. The office of the superintendent of public instruction and the education research and data center at the office of financial management shall track student participation and long-term outcome data.

(14) $300,000 of the general fund--state appropriation for fiscal year 2014 and $300,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for annual start-up grants for aerospace and manufacturing technical programs housed at four skill centers. The grants are provided for start-up equipment and curriculum purchases. To be eligible for funding, the skill center must agree to provide regional high schools with access to a technology laboratory, expand manufacturing certificate and course offerings at the skill

center, and provide a laboratory space for local high school teachers to engage in professional development in the instruction of courses leading to student employment certification in the aerospace and manufacturing industries. Once a skill center receives a start-up grant, it is ineligible for additional start-up funding in the following school year. The office of the superintendent of public instruction shall administer the grants in consultation with the center for excellence for aerospace and advanced materials manufacturing.

(15) $150,000 of the general fund--state appropriation for fiscal year 2014 and $150,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for annual start-up grants to six high schools to implement the aerospace assembler program. Participating high schools must agree to offer the aerospace assembler training program to students by spring semester of school year 2013-14. Once a high school receives a start-up grant, it is ineligible for additional start-up funding in the following school year. The office of the superintendent of public instruction and the education research and data center at the office of financial management shall track student participation and long-term outcome data.

(16) $10,000,000 of the general fund--state appropriation for fiscal year 2014 and $5,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the provision of training for teachers in the performance-based teacher principal evaluation program. Of the amounts appropriated in this subsection, $5,000,000 for fiscal year 2014 is a one-time appropriation.

(17) $3,600,000 of the general fund--state appropriation for fiscal year 2014 and $6,681,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 5329 (persistently failing schools). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(18) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(19) $109,000 of the general fund--state appropriation for fiscal year 2014 and $99,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the office of the superintendent of public instruction to implement a youth dropout prevention program that incorporates partnerships between community-based organizations, schools, food banks and farms or gardens. The office of the superintendent of public instruction shall select one school district that must partner with an organization that is operating an existing similar program and that also has the ability to serve at least 40 students. Of the amount appropriated in this subsection, up to $10,000 may be used by the office of the superintendent of public instruction for administration of the program.

(20) ((~~$2,399,000~~)) $2,285,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$2,035,000~~)) $1,912,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to implement Engrossed Substitute Senate Bill No. 5946 (strengthening student educational outcomes). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(21) $1,110,000 of the general fund--state appropriation for fiscal year 2014 and $1,061,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for chapter 184, Laws of 2013 (Second Substitute House Bill No. 1642) (academic acceleration). Of the amount appropriated in this section, forty-nine thousand is provided as one-time funding.

(22) $300,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the office of the superintendent of public instruction to develop curriculum frameworks for a selected list of career and technical courses for high schools or skill centers whose content in science, technology, engineering, and mathematics is considered equivalent to science or mathematics courses that meet high school graduation requirements.

(23) $400,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for building and construction-related pre-apprenticeships in accordance with RCW 49.04.190.

**Sec. 512.** 2013 2nd sp.s. c 4 s 514 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$95,500,000~~)) $98,126,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$106,120,000~~)) $110,992,000

General Fund--Federal Appropriation . . . . . ((~~$71,016,000~~)) $72,113,000

TOTAL APPROPRIATION . . . . . ((~~$272,636,000~~)) $281,231,000

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs under RCW 28A.180.010 through 28A.180.080, including programs for exited students, as provided in RCW 28A.150.260(10)(b) and the provisions of this section. In calculating the allocations, the superintendent shall assume the following averages: (i) Additional instruction of 4.7780 hours per week per transitional bilingual program student in grades kindergarten through twelve in school years 2013-14 and 2014-15; (ii) additional instruction of 3.0000 hours per week in school year 2013-14 for the head count number of students who have exited the transitional bilingual instruction program within the previous school year based on their performance on the English proficiency assessment; (iii) additional instruction of 3.0000 hours per week in school year 2014-15 for the head count number of students who have exited the transitional bilingual instruction program within the previous two years based on their performance on the English proficiency assessment; (iv) fifteen transitional bilingual program students per teacher; (v) 36 instructional weeks per year; (vi) 900 instructional hours per teacher; and (vii) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2013, to August 31, 2013, the superintendent shall

allocate funding to school districts for transitional bilingual instruction programs as provided in section 514, chapter 50, Laws of 2011 1st sp. sess., as amended.

(3) The superintendent may withhold allocations to school districts in subsection (2) of this section solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2) up to the following amounts: ((~~1.76~~)) 1.69 percent for school year 2013-14 and ((~~1.59~~)) 1.52 percent for school year 2014-15.

(4) The general fund--federal appropriation in this section is for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

(5) $35,000 of the general fund--state appropriation for fiscal year 2014 and $35,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to track current and former transitional bilingual program students.

**Sec. 513.** 2013 2nd sp.s. c 4 s 515 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$196,356,000~~))
$195,247,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$218,335,000~~))
$214,958,000

General Fund--Federal Appropriation . . . . . .((~~$448,434,000~~))
$448,428,000

TOTAL APPROPRIATION . . . . . .((~~$863,125,000~~))
$860,733,000

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

(1) The general fund--state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b)(i) For the 2013-14 and 2014-15 school years, the superintendent shall allocate funding to school districts for learning assistance

programs as provided in RCW 28A.150.260(10)(a), except that the allocation for the additional instructional hours shall be enhanced as provided in this section, which enhancements are within the program of the basic education. In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 2.3975 hours per week per funded learning assistance program student for the 2013-14 school year and the 2014-15 school year; (B) fifteen learning assistance program students per teacher; (C) 36 instructional weeks per year; (D) 900 instructional hours per teacher; and (E) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2013, to August 31, 2013, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 50, Laws of 2011 1st sp. sess., as amended.

(c) A school district's funded students for the learning assistance program shall be the sum of the district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced price lunch in the prior school year. <u>Starting with the allocation for the 2014-15 school year, the prior school year's October headcount enrollment for free and reduced price lunch shall be as reported in the comprehensive education data and research system.</u>

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school lunch program, as recommended in the report of the state auditor on the learning assistance program dated February, 2010.

(3) The general fund--federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund--state funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

**Sec. 514.** 2013 2nd sp.s. c 4 s 516 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

(1) Amounts distributed to districts by the superintendent through part V of this act are for allocations purposes only, unless specified by part V of this act, and do not entitle a particular district, district employee, or student to a specific service, beyond what has been expressly provided in statute. Part V of this act restates the requirements of various sections of Title 28A RCW. If any conflict exists, the provisions of Title 28A RCW control unless this act explicitly states that it is providing an enhancement. Any amounts provided in part V of this act in excess of the amounts required by Title 28A RCW provided in statute, are not within the program of basic education unless clearly stated by this act.

(2) To the maximum extent practicable, when adopting new or revised rules or policies relating to the administration of allocations in part V of this act that result in fiscal impact, the office of the superintendent of public instruction shall attempt to seek legislative approval through the budget request process.

(3) Appropriations made in this act to the office of the superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act, except as expressly provided in subsection (4) of this section.

(4) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, 2014, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund appropriations for fiscal year 2014 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; highly capable; and learning assistance programs.

(5) The director of financial management shall notify the

appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

(End of part)

## PART VI
## HIGHER EDUCATION

**Sec. 601.** 2013 2nd sp.s. c 4 s 602 (uncodified) is amended to read as follows:

(1) Within the amounts appropriated in this act and chapter 1, Laws of 2013 3rd sp. sess. (aerospace industry appropriations), each institution of higher education is expected to enroll and educate at least the following numbers of full-time equivalent state-supported students per academic year:

| | 2013-14 Annual Average | 2014-15 Annual Average |
|---|---|---|
| University of Washington | 37,162 | 37,162 |
| Washington State University | 22,228 | ((~~22,228~~)) 22,538 |
| Central Washington University | 9,105 | 9,105 |
| Eastern Washington University | 8,734 | 8,734 |
| The Evergreen State College | ((~~4,335~~)) 4,213 | ((~~4,335~~)) 4,213 |
| Western Washington University | ((~~12,710~~)) 11,762 | ((~~12,710~~)) 11,762 |
| State Board for Community & Technical Colleges | | |
| Adult Students | 139,237 | ((~~139,237~~)) 139,927 |
| Running Start Students | 11,558 | 11,558 |

(2) In achieving or exceeding these enrollment targets, each institution shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at branch campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is limited student or employer demand, or that are not areas of core academic strength for the institution, particularly when such programs duplicate offerings by other in-state institutions.

(3) For purposes of monitoring and reporting statewide enrollment, the University of Washington and Washington State University shall notify the office of financial management of the number of full-time student equivalent enrollments budgeted for each of their campuses.

**Sec. 602.** 2013 2nd sp.s. c 4 s 603 (uncodified) is amended to read as follows:

**PUBLIC BACCALAUREATE INSTITUTIONS**

(1) In order to operate within the state funds appropriated in this act, the governing boards of the state research universities, the state regional universities, and The Evergreen State College are authorized to adopt and adjust tuition and fees for the 2013-14 and 2014-15 academic years as provided in this section.

(2) For the purposes of chapter 28B.15 RCW, the omnibus appropriations act assumes no increase of tuition levels for resident undergraduate students over the amounts charged to resident undergraduate students for the prior year.

(3) Appropriations in sections 606 through 611 of this act are sufficient to maintain resident undergraduate tuition levels at the levels charged to resident undergraduate students during the 2012-13 academic year. As a result, for the 2013-14 academic year, the institutions of higher education shall not adopt resident undergraduate tuition levels that are greater than the tuition levels assumed in subsection (2) of this section. For the 2014-15 academic year, the institutions of higher education are authorized to adopt tuition levels for resident undergraduate students that are less than, equal to, or greater than tuition levels assumed in the omnibus appropriations act in subsection (2) of this section. However, ((~~to the extent~~)) <u>every year</u> that tuition levels ((~~exceed the~~)) <u>are maintained above</u> tuition ((~~levels~~)) <u>increases</u> assumed in subsection (2) of this section <u>and section 603, chapter 50, Laws of 2011</u>, the institution of higher education shall be subject to the conditions and limitations provided in RCW 28B.15.102.

(4) Each governing board is authorized to increase tuition charges to graduate and professional students, and to nonresident undergraduate students, by amounts judged reasonable and necessary by the governing board.

(5) Each governing board is authorized to increase summer quarter or semester tuition fees for resident and nonresident undergraduate, graduate, and professional students pursuant to RCW 28B.15.067.

(6) Each governing board is authorized to adopt or increase charges for fee-based, self-sustaining degree programs, credit courses, noncredit workshops and courses, and special contract courses by amounts judged reasonable and necessary by the governing board.

(7) Each governing board is authorized to adopt or increase services and activities fees for all categories of students as provided in RCW 28B.15.069.

(8) Each governing board is authorized to adopt or increase technology fees as provided in RCW 28B.15.069.

(9) Each governing board is authorized to adopt or increase special course and lab fees, and health and counseling fees, to the extent necessary to cover the reasonable and necessary exceptional cost of the course or service.

(10) Each governing board is authorized to adopt or increase administrative fees such as, but not limited to, those charged for application, matriculation, special testing, and transcripts by amounts judged reasonable and necessary by the governing board.

(11) The state universities, the regional universities, and The Evergreen State College must accept the transfer of college-level courses taken by running start students if a student seeking a transfer of the college-level courses has been admitted to the state university, the regional university, or The Evergreen State College, and if the college-level courses are recognized as transferrable by the admitting institution of higher education.

(12) Appropriations in sections 606 through 611 of this act are sufficient to implement 2013-2015 collective bargaining agreements at institutions of higher education negotiated under chapter 41.80 RCW. The institutions may also use these funds for any other purpose including restoring prior compensation reductions, increasing compensation, and implementing other collective bargaining agreements.

**Sec. 603.** 2013 2nd sp.s. c 4 s 604 (uncodified) is amended to read as follows:

**STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

(1) In order to operate within the state funds appropriated in this act, the state board is authorized to adopt and adjust tuition and fees for the 2013-14 and 2014-15 academic years as provided in this section.

(2) For the purposes of chapter 28B.15 RCW, appropriations in the omnibus appropriations act assumes no increase in tuition levels for resident undergraduate students over the amounts charged to resident undergraduate students for the prior year. For the 2014-15 academic year, the state board is authorized to adopt tuition levels for resident undergraduate students that are less than, equal to, or greater than tuition levels assumed in the omnibus appropriations act in this subsection. However, to the extent that tuition levels exceed the tuition levels assumed in this subsection, the state board shall retain an additional one percent of operating fees above what is already retained pursuant to RCW 28B.15.031 for the purposes of RCW 28B.15.820. ((~~For the 2013-2015 fiscal biennium,~~)) When expending this additional retained amount, the community and technical colleges are subject to the conditions and limitations in RCW 28B.15.102.

(3) For the 2013-14 and 2014-15 academic years, the state board may increase tuition fees charged to resident undergraduates enrolled in upper division applied baccalaureate programs as specified in subsection (2) of this section.

(4) Appropriations in section 605 include the restoration of the three percent reduction in compensation costs taken in the 2011-2013 fiscal biennium. This funding is sufficient to implement 2013-2015 collective bargaining agreements at institutions of higher education negotiated under chapter 41.80 RCW. The colleges may also use the restored funds for any other purpose including restoring prior compensation reductions, increasing compensation, and implementing other collective bargaining agreements.

(5) The state board may increase the tuition fees charged to nonresident students by amounts judged reasonable and necessary by the board.

(6) The trustees of the technical colleges are authorized to either (a) increase operating fees by no more than the percentage increases authorized for community colleges by the state board; or (b) fully adopt the tuition fee charge schedule adopted by the state board for community colleges.

(7) For academic years 2013-14 and 2014-15, the trustees of the technical colleges are authorized to increase building fees by an amount judged reasonable in order to progress toward parity with the building fees charged students attending the community colleges.

(8) The state board is authorized to increase the maximum allowable services and activities fees as provided in RCW 28B.15.069. The trustees of the community and technical colleges are authorized to increase services and activities fees up to the maximum level authorized by the state board.

(9) The trustees of the community and technical colleges are authorized to adopt or increase charges for fee-based, self-sustaining programs such as summer session, international student contracts, and special contract courses by amounts judged reasonable and necessary by the trustees.

(10) The trustees of the community and technical colleges are authorized to adopt or increase special course and lab fees to the extent necessary to cover the reasonable and necessary exceptional cost of the course or service.

(11) The trustees of the community and technical colleges are authorized to adopt or increase administrative fees such as but not limited to those charged for application, matriculation, special testing, and transcripts by amounts judged reasonable and necessary by the trustees.

**Sec. 604.** 2013 2nd sp.s. c 4 s 605 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$570,262,000~~))
$570,062,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$568,999,000~~))
$558,703,000

Community/Technical College Capital Projects
Account--State Appropriation . . . . . $17,548,000

Education Legacy Trust Account--State
Appropriation . . . . . ((~~$95,373,000~~))
$95,269,000

TOTAL APPROPRIATION . . . . . ((~~$1,252,182,000~~))
$1,241,582,000

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

(1) $33,261,000 of the general fund--state appropriation for fiscal year 2014 and $33,261,000 of the general fund--state appropriation for fiscal year 2015 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 7,170 full-time equivalent students in fiscal year 2014 and at least 7,170 full-time equivalent students in fiscal year 2015.

(2) $5,450,000 of the education legacy trust account--state appropriation is provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) $100,000 of the general fund--state appropriation for fiscal year 2014 and $100,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the aerospace center of excellence currently hosted by Everett community college to:

(a) Increase statewide communications and outreach between industry sectors, industry organizations, businesses, K-12 schools, colleges, and universities;

(b) Enhance information technology to increase business and student accessibility and use of the center's web site; and

(c) Act as the information entry point for prospective students and job seekers regarding education, training, and employment in the industry.

(4) $181,000 of the general fund--state appropriation for fiscal year 2014 and $181,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the opportunity center for employment and education internet technology integration project at north Seattle community college.

(5) $255,000 of the general fund--state appropriation for fiscal year 2014 and $255,000 of the general fund--state appropriation for

fiscal year 2015 are provided solely for implementation of a maritime industries training program at south Seattle community college.

(6) $5,250,000 of the general fund--state appropriation for fiscal year 2014 and $5,250,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the student achievement initiative.

(7) $500,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Second Substitute Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

(8) $410,000 of the general fund--state appropriation for fiscal year 2015 is provided solely for the mathematics engineering science achievement community college programs.

(9) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community and technical colleges shall consider lower cost alternatives, such as mailing postcards or brochures that direct individuals to online information and other ways of acquiring print catalogs.

((~~(9)~~)) (10) The state board for community and technical colleges shall not use funds appropriated in this section to support intercollegiate athletics programs.

**Sec. 605.** 2013 2nd sp.s. c 4 s 606 (uncodified) is amended to read as follows:

**FOR THE UNIVERSITY OF WASHINGTON**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$246,897,000~~))
$247,277,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$245,200,000~~))
$242,771,000

Geoduck Aquaculture Research Account--State
Appropriation . . . . . $300,000

Education Legacy Trust Account--State Appropriation . . . . $13,998,000

Economic Development Strategic Reserve Account--
State Appropriation . . . . . $3,000,000

Biotoxin Account--State Appropriation . . . . . $390,000

Accident Account--State Appropriation . . . . . ((~~$6,741,000~~))
$6,718,000

Medical Aid Account--State Appropriation . . . . . ((~~$6,546,000~~))
$6,535,000
Aquatic Land Enhancement Account--State Appropriation . . . . $700,000
State Toxics Control Account--State Appropriation . . . . . $1,120,000
TOTAL APPROPRIATION . . . . . ((~~$524,892,000~~))
$522,809,000

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

(1) $300,000 of the geoduck aquaculture research account--state appropriation is provided solely for the University of Washington sea grant program to commission scientific research studies that examine possible negative and positive effects, including the cumulative effects and the economic contribution, of evolving shellfish aquaculture techniques and practices on Washington's economy and marine ecosystems. The research conducted for the studies is not intended to be a basis for an increase in the number of shellfish harvesting permits available and should be coordinated with any research efforts related to ocean acidification. The University of Washington must submit an annual report detailing any findings and outline the progress of the study, consistent with RCW 43.01.036, to the appropriate legislative committees by December 1st of each year.

(2) $52,000 of the general fund--state appropriation for fiscal year 2014 and $52,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the center for international trade in forest products in the college of forest resources.

(3) $4,459,000 of the general fund--state appropriation for fiscal year 2014 and $4,459,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the expansion of computer science and engineering enrollments. The university will work with the education research and data center to establish program baselines and demonstrate enrollment increases. By September 1, 2014, and each September 1st thereafter, the university shall provide a report that provides the specific detail on how these amounts were spent in the preceding fiscal year, including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the college, and how many students are

enrolled in computer science and engineering programs above the 2012-2013 academic year baseline.

(4) $3,000,000 of the general fund--state appropriation for fiscal year 2014 and $3,000,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for creation of a clean energy institute. The institute shall integrate physical sciences and engineering with a research focus on energy storage and solar energy.

(5) $3,000,000 of the economic development strategic reserve account appropriation is provided solely to support the joint center for aerospace innovation technology.

(6) Within existing resources the University of Washington may: (a) Form and implement an integrated innovation institute and research, planning, and outreach initiatives at the Olympic national resources center; and (b) accredit a four-year undergraduate forestry program from the society of American foresters. Accreditation may occur in conjunction with reaccreditation of the master of forest resources program.

(7) $700,000 of the aquatic lands enhancement account--state appropriation and $1,120,000 of the state toxics control account--state appropriation are provided solely for the center on ocean acidification and related work necessary to implement the recommendations of the governor's blue ribbon task force on ocean acidification. The university shall provide staffing for this purpose.

(8) The University of Washington shall not use funds appropriated in this section to support intercollegiate athletics programs.

**Sec. 606.** 2013 2nd sp.s. c 4 s 607 (uncodified) is amended to read as follows:

**FOR WASHINGTON STATE UNIVERSITY**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$156,616,000~~))
$156,989,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$157,701,000~~))
$158,389,000

Education Legacy Trust Account--State Appropriation . . . . $33,995,000

TOTAL APPROPRIATION . . . . . ((~~$348,312,000~~))
$349,373,000

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

(1) Within existing resources, Washington State University shall establish an accredited forestry program.

(2) $2,856,000 of the general fund--state appropriation for fiscal year 2014 and $2,857,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the expansion of computer science and engineering enrollments. The university will work with the education research and data center to establish program baselines and demonstrate enrollment increases. By September 1, 2014, and each September 1st thereafter, the university shall provide a report that provides the specific detail on how these amounts were spent in the preceding fiscal year, including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the college, and how many students are enrolled in computer science and engineering programs above the 2012-2013 academic year baseline.

(3) $25,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the Ruckelshaus center to collaborate with local governments, the media, and representatives of the public regarding public record requests made to local government. The center shall facilitate meetings and discussions and report to the appropriate committees of the legislature. The report shall include information on:

(a) Recommendations related to balancing open public records with concerns of local governments related to interfering with the work of the local government;

(b) Resources necessary to accommodate requests;

(c) Potential harassment of government employees;

(d) Potential safety concerns of people named in the record;

(e) Potentially assisting criminal activity; and

(f) Other issues brought forward by the participants.

The center shall report to the appropriate committees of the legislature by December 15, 2013.

(4) $300,000 of the general fund--state appropriation for fiscal year 2014 and $300,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington State University agricultural research center to conduct public outreach and education related to nonlethal methods of mitigating conflicts between

livestock and large wild carnivores. Of the amounts provided in this subsection, $200,000 of the general fund--state appropriation for fiscal year 2014 and $200,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to the center to conduct a detailed analysis of such methods. The amounts appropriated in this subsection may not be subject to an administrative fee or charge, and must be used for costs directly associated with the research and analysis.

(5) $2,400,000 of the general fund--state appropriation for fiscal year 2014 and $3,600,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for expansion of medical education and biomedical research in Spokane.

(6) Washington State University shall not use funds appropriated in this section to support intercollegiate athletic programs.

**Sec. 607.** 2013 2nd sp.s. c 4 s 608 (uncodified) is amended to read as follows:

**FOR EASTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$31,674,000~~))
$31,428,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$31,619,000~~))
$31,067,000

Education Legacy Trust Account--State
Appropriation . . . . . ((~~$15,470,000~~))
$15,156,000

TOTAL APPROPRIATION . . . . . ((~~$78,763,000~~))
$77,651,000

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

(1) At least $200,000 of the general fund--state appropriation for fiscal year 2014 and at least $200,000 of the general fund--state appropriation for fiscal year 2015 shall be expended on the Northwest autism center.

(2) Eastern Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

**Sec. 608.** 2013 2nd sp.s. c 4 s 609 (uncodified) is amended to read as follows:

**FOR CENTRAL WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$29,719,000~~))
$29,764,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$29,533,000~~))
$28,952,000

Education Legacy Trust Account--State Appropriation . . . . $19,076,000

TOTAL APPROPRIATION . . . . . ((~~$78,328,000~~))
$77,792,000

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

(1) $25,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the college of education to conduct a study identifying the duties encompassed in a state-funded teacher's typical work day. The study must include an estimate of the percent of a teacher's typical day that is spent on teaching related duties and the percentage of the teacher's day that is spent on duties that are not directly related to teaching. The university shall submit a report to the appropriate committees of the legislature by December 1, 2013.

(2) Amounts appropriated in this section are sufficient for the university to develop a plan to create an online degree granting entity that awards degrees based on an alternative credit model. The university shall submit a final plan by December 1, 2013, to the higher education committees of the legislature.

(3) Central Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

**Sec. 609.** 2013 2nd sp.s. c 4 s 610 (uncodified) is amended to read as follows:

**FOR THE EVERGREEN STATE COLLEGE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$18,563,000~~))
$18,368,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$17,911,000~~))
$17,557,000

Education Legacy Trust Account--State Appropriation . . . . $5,450,000

TOTAL APPROPRIATION . . . . . ((~~$41,924,000~~))
$41,375,000

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

((~~(3)~~)) (1) $100,000 of the general fund--state appropriation for fiscal year 2014 and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state institute for public policy to conduct a comprehensive retrospective outcome evaluation and return on investment analysis of the early learning childhood program pursuant to Senate Bill No. 5904 (high quality early learning). This evaluation is due December 15, 2014. If the bill is not enacted by June 30, 2013, the amount provided in this subsection shall lapse.

((~~(4)~~)) (2) $50,000 of the general fund--state appropriation for fiscal year 2014 and $50,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state institute for public policy to develop a risk assessment instrument for patients committed for involuntary treatment in Washington state.

((~~(5)~~)) (3) $58,000 of the general fund--state appropriation for fiscal year 2014 and $27,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the Washington state institute for public policy to prepare an inventory of evidence-based and research-based effective practices, activities, and programs for use by school districts in the learning assistance program pursuant to Engrossed Second Substitute Senate Bill No. 5946 (student educational outcomes). The initial inventory is due by August 1, 2014, and shall be updated every two years thereafter. If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

((~~(6)~~)) (4) $50,000 of the general fund--state appropriation for fiscal year 2014 are provided solely for the Washington state institute for public policy to provide expertise to the department of corrections on the implementation of programming that follows the risk needs responsivity model. In consultation with the department of corrections, the institute will systematically review selected programs for outcome measures.

((~~(7)~~)) (5) Funding provided in this section is sufficient for The Evergreen State College to continue operations of the Longhouse Center and the Northwest Indian applied research institute.

((~~(9)~~)) (6) Notwithstanding other provisions in this section, the board of directors for the Washington state institute for public policy may adjust due dates for projects included on the institute's 2013-2015 work plan as necessary to efficiently manage workload.

((~~(10)~~)) (7) The Evergreen State College shall not use funds appropriated in this section to support intercollegiate athletics programs.

**Sec. 610.** 2013 2nd sp.s. c 4 s 611 (uncodified) is amended to read as follows:

**FOR WESTERN WASHINGTON UNIVERSITY**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$44,542,000~~))
$44,636,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$44,377,000~~))
$43,871,000

Education Legacy Trust Account--State
Appropriation . . . . . ((~~$13,050,000~~))
$12,958,000

TOTAL APPROPRIATION . . . . . ((~~$101,969,000~~))
$101,465,000

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

(1) $1,497,000 of the general fund--state appropriation for fiscal year 2014 and $1,498,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the expansion of computer science and engineering enrollments. The university will work with the education research and data center to establish program baselines and demonstrate enrollment increases. By September 1, 2014, and each September 1st thereafter, the university shall provide a report that provides the specific detail on how these amounts were spent in the preceding fiscal year, including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the college, and how many students are enrolled in computer science and engineering programs above the 2012-2013 academic year baseline.

(2) Western Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

**Sec. 611.** 2013 2nd sp.s. c 4 s 612 (uncodified) is amended to read as follows:

**FOR THE STUDENT ACHIEVEMENT COUNCIL--POLICY COORDINATION AND ADMINISTRATION**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$5,307,000~~)) $5,320,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$5,318,000~~)) $5,309,000

General Fund--Federal Appropriation . . . . . .((~~$4,817,000~~)) $4,813,000

TOTAL APPROPRIATION . . . . . $15,442,000

The appropriations in this section are subject to the following conditions and limitations: The student achievement council is authorized to increase or establish fees for initial degree authorization, degree authorization renewal, degree authorization reapplication, new program applications, and new site applications pursuant to RCW 28B.85.060.

**Sec. 612.** 2013 2nd sp.s. c 4 s 613 (uncodified) is amended to read as follows:

**FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL ASSISTANCE**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$245,122,000~~)) $245,124,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$244,674,000~~)) $244,670,000

General Fund--Federal Appropriation . . . . . ((~~$11,648,000~~)) $11,646,000

General Fund--Private/Local Appropriation . . . . . ((~~$34,000~~)) $334,000

Education Legacy Trust Account--State Appropriation . . . . . ((~~$36,036,000~~)) $47,279,000

Washington Opportunity Pathways Account--State Appropriation . . . . . $147,000,000

TOTAL APPROPRIATION . . . . . .((~~$684,514,000~~)) $696,053,000

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

(1) $237,454,000 of the general fund--state appropriation for fiscal year 2014, $237,455,000 of the general fund--state appropriation, and $147,000,000 of the Washington opportunity pathways account--state appropriation are provided solely for student financial aid payments under the state need grant and state work study programs including up to four percent administrative allowance for the state work study program.

(2) Changes made to the state need grant program in the 2011-2013 fiscal biennium are continued in the 2013-2015 fiscal biennium including aligning increases in awards given to private institutions with the annual tuition increases for public research institutions or the private institution's average annual tuition increase experience of 3.5 percent per year, whichever is less, and reducing the awards for students who first enrolled as a new student in for-profit institutions as of the 2011-2012 academic year or thereafter by fifty percent, except that one-half of the fifty percent reduction shall be restored on July 1, 2013, for students attending regionally accredited for-profit institutions.

(3) Changes made to the state work study program in the 2009-2011 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal biennium including maintaining the increased required employer share of wages; adjusted employer match rates; discontinuation of nonresident student eligibility for the program; and revising distribution methods to institutions by taking into consideration other factors such as off-campus job development, historical utilization trends, and student need.

(4) Within the funds appropriated in this section, eligibility for the state need grant shall include students with family incomes at or below 70 percent of the state median family income (MFI), adjusted for family size, and shall include students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits. Awards for all students shall be adjusted by the estimated amount by which Pell grant increases exceed projected increases in the noninstructional costs of attendance. Awards for students with incomes between 51 and 70 percent of the state median shall be prorated at the following percentages of the award amount granted to those with incomes below 51 percent of the MFI: 70 percent for students with family incomes between 51 and 55 percent MFI; 65 percent for students with

family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI.

(5)(a) Students who are eligible for the college bound scholarship shall be given priority for the state need grant program if the students have applied by the institution's priority financial aid deadline and have completed their financial aid file in a timely manner. These eligible college bound students whose family incomes are in the 0-65 median family income ranges shall be awarded the maximum state need grant for which they are eligible under state policies and may not be denied maximum state need grant funding due to institutional policies or delayed awarding of college bound scholarship students.

(b) In calculating the college bound award, public institutions of higher education shall be subject to the conditions and limitations in RCW 28B.15.102 and shall not utilize college bound funds to offset tuition costs from rate increases in excess of levels authorized in section 603, chapter 50, Laws of 2011 and those assumed in section 603 of this act.

(6) ((~~$36,036,000~~)) $47,279,000 of the education legacy trust account--state appropriation is provided solely for the college bound scholarship program and may support scholarships for summer session. This amount assumes that college bound scholarship recipients will receive priority for state need grant awards in fiscal year 2014 and fiscal year 2015. If this policy of prioritization is not fully achieved, it is the intent of this legislation to provide supplemental appropriations in the 2014 supplemental operating budget.

(7) $2,236,000 of the general fund--state appropriation for fiscal year 2014 and $2,236,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the passport to college program. The maximum scholarship award shall be $5,000. The board shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract, provide a minimum of $500,000 in fiscal years 2014 and 2015 for this purpose.

(8) In developing the skilled and educated workforce report pursuant to RCW 28B.77.080(3), the council shall use the bureau of labor statistics analysis of the education and training requirements of occupations, in addition to any other method the council may choose to

use, to assess the number and type of higher education and training credentials required to match employer demand for a skilled and educated workforce.

**Sec. 613.** 2013 2nd sp.s. c 4 s 614 (uncodified) is amended to read as follows:

**FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,582,000~~))
$1,556,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,478,000~~))
$1,453,000

General Fund--Federal Appropriation . . . . . ((~~$54,260,000~~))
$54,815,000

General Fund--Private/Local Appropriation . . . . . $44,000

TOTAL APPROPRIATION . . . . . ((~~$57,320,000~~))
$57,868,000

The appropriations in this section are subject to the following conditions and limitations: For the 2013-2015 fiscal biennium the board shall not designate recipients of the Washington award for vocational excellence or recognize them at award ceremonies as provided in RCW 28C.04.535.

**Sec. 614.** 2013 2nd sp.s. c 4 s 615 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF EARLY LEARNING**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$34,253,000~~))
$35,147,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$48,689,000~~))
$58,661,000

General Fund--Federal Appropriation . . . . . .((~~$293,652,000~~))
$287,937,000

General Fund--Private/Local Appropriation . . . . . $50,000

Opportunity Pathways Account--State Appropriation . . . . . $80,000,000

Home Visiting Services Account--State Appropriation . . . . $2,868,000

Home Visiting Services Account--Federal
Appropriation . . . . . ((~~$22,756,000~~))
$22,685,000

Children's Trust Account--State Appropriation . . . . . .$180,000

TOTAL APPROPRIATION . . . . . ((~~$482,398,000~~)) $487,528,000

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

(1) $20,229,000 of the general fund--state appropriation for fiscal year 2014, ((~~$36,474,000~~)) $40,474,000 of the general fund--state appropriation for fiscal year 2015, and $80,000,000 of the opportunity pathways account appropriation are provided solely for the early childhood education assistance program services. Of these amounts, $10,284,000 is a portion of the biennial amount of state maintenance of effort dollars required to receive federal child care and development fund grant dollars.

(2) $638,000 of the general fund--state appropriation for fiscal year 2014, and $638,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for child care resource and referral network services.

(3) $200,000 of the general fund--state appropriation for fiscal year 2014 and $200,000 of the general fund--state appropriation for fiscal year 2015 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(4) The department is the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(5) $1,434,000 of the general fund--state appropriation for fiscal year 2014, $1,434,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for expenditure into the home visiting services account. This funding is intended to meet federal maintenance of effort requirements and to secure private matching funds.

(6)(a) $153,717,000 of the general fund--federal appropriation is provided solely for the working connections child care program under RCW 43.215.135.

(b) In addition to groups that were given prioritized access to the working connections child care program effective March 1, 2011, the department shall also give prioritized access into the program to families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center.

(7) Within available amounts, the department in consultation with the office of financial management and the department of social and health services shall report quarterly enrollments and active caseload for the working connections child care program to the legislative fiscal committees and the legislative-executive WorkFirst oversight task force. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care.

(8) ((~~$1,025,000~~)) $1,194,000 of the general fund--state appropriation for fiscal year 2014, ((~~$1,025,000~~)) $1,467,000 of the general fund--state appropriation for fiscal year 2015, and $13,424,000 of the general fund--federal appropriation are provided solely for the seasonal child care program. If federal sequestration cuts are realized, cuts to the seasonal child care program must be proportional to other federal reductions made within the department.

(9) ((~~$3,572,000~~)) $4,438,000 of the general fund--state appropriation for fiscal year 2014, ((~~$2,522,000~~)) $4,674,000 of the general fund--state appropriation for fiscal year 2015, and ((~~$4,304,000~~)) $236,000 of the general fund--federal appropriation are provided solely for the medicaid treatment child care (MTCC) program. The department shall contract for MTCC services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. Priority for services shall be given to children referred from the department of social and health services children's administration. In addition to referrals made by children's administration, the department shall authorize services for children referred to the MTCC program, as long as the children meet the eligibility requirements as outlined in the Washington state plan for the MTCC program.

(a) Of the amounts appropriated in this subsection, $60,000 per fiscal year may be used by the department for administering the MTCC program, if needed.

(b) Of the amounts provided in this subsection, ((~~$1,050,000~~)) $1,916,000 of the general fund--state appropriation for fiscal year 2014 is provided solely to continue providing services in the event of losing federal funding for the MTCC program. To the extent that the moneys provided in this subsection (9)(b) are not necessary for this purpose, the amounts provided shall lapse.

(10) $150,000 of the general fund--state appropriation for fiscal year 2014 and $150,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

(11) $721,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for the department to complete development work of the electronic benefits transfer system.

(12) ((~~$793,000~~)) $1,014,000 of the general fund--state appropriation for fiscal year 2014 and ((~~$796,000~~)) $1,519,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for implementation of an electronic benefits transfer system. To the maximum extent possible, the department shall work to integrate this system with the department of social and health services payment system. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(13) $32,000 of the general fund--state appropriation for fiscal year 2014 is provided solely for implementation of Second Substitute Senate Bill No. 5595 (child care reform). If the bill is not enacted by June 30, 2013, the amounts provided in this subsection shall lapse.

(14)(a)(i) The department of early learning is required to provide to the education research and data center, housed at the office of financial management, data on all state-funded early childhood programs. These programs include the early support for infants and toddlers, early childhood education and assistance program (ECEAP), and the working connections and seasonal subsidized childcare programs including license exempt facilities or family, friend, and neighbor care. The data provided by the department to the education research data center must include information on children who participate in

these programs, including their name and date of birth, and dates the child received services at a particular facility.

(ii) The ECEAP early learning professionals must enter qualifications into the department's professional development registry during the 2013-14 school year. By October 2015, the department must provide ECEAP early learning professional data to the education research data center.

(iii) The department must request federally funded head start programs to voluntarily provide data to the department and the education research data center that is equivalent to what is being provided for state-funded programs.

(iv) The education research and data center must provide a report on early childhood program participation and K-12 outcomes to the house of representatives appropriations committee and the senate ways and means committee using available data by November 2013 for the school year ending in 2012 and again in March 2014 for the school year ending in 2013.

(b) The department, in consultation with the department of social and health services, must withhold payment for services to early childhood programs that do not report on the name, date of birth, and the dates a child received services at a particular facility.

**Sec. 615.** 2013 2nd sp.s. c 4 s 616 (uncodified) is amended to read as follows:

**FOR THE STATE SCHOOL FOR THE BLIND**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$6,032,000~~))
$5,975,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$5,805,000~~))
$5,894,000

General Fund--Private/Local Appropriation . . . . . ((~~$15,000~~))
$9,000

TOTAL APPROPRIATION . . . . . ((~~$11,852,000~~))
$11,878,000

**Sec. 616.** 2013 2nd sp.s. c 4 s 617 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**

**LOSS**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$8,615,000~~))
$8,764,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$8,591,000~~))
$8,589,000

TOTAL APPROPRIATION . . . . . ((~~$17,206,000~~))
$17,353,000

**Sec. 617.** 2013 2nd sp.s. c 4 s 618 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE ARTS COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,125,000~~))
$1,093,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,101,000~~))
$1,114,000

General Fund--Federal Appropriation . . . . . .((~~$2,074,000~~))
$2,072,000

General Fund--Private/Local Appropriation . . . . . ((~~$12,000~~))
$30,000

TOTAL APPROPRIATION . . . . . .((~~$4,312,000~~))
$4,309,000

**Sec. 618.** 2013 2nd sp.s. c 4 s 619 (uncodified) is amended to read as follows:

**FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$2,123,000~~))
$2,134,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$2,150,000~~))
$2,143,000

TOTAL APPROPRIATION . . . . . .((~~$4,273,000~~))
$4,277,000

**Sec. 619.** 2013 2nd sp.s. c 4 s 620 (uncodified) is amended to read as follows:

**FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2014) . . . . . .((~~$1,600,000~~))
$1,624,000

General Fund--State Appropriation (FY 2015) . . . . . .((~~$1,530,000~~))

$1,598,000

TOTAL APPROPRIATION . . . . . ((~~$3,130,000~~))

$3,222,000

NEW SECTION. **Sec. 620.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

**FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION**

General Fund--State Appropriation (FY 2014) . . . . . $508,000

General Fund--State Appropriation (FY 2015) . . . . . $498,000

TOTAL APPROPRIATION . . . . . $1,006,000

The appropriations in this section are subject to the following conditions and limitations: $50,000 of the general fund--state appropriation for fiscal year 2014 and $33,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the office of the attorney general costs related to *League of Women Voters v. State of Washington*.

(End of part)

## PART VII
## SPECIAL APPROPRIATIONS

**Sec. 701.** 2013 2nd sp.s. c 4 s 701 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$741,362,000~~))
$777,344,000

General Fund--State Appropriation (FY 2015) . . . . ((~~$1,060,322,000~~))
$1,029,627,000

State Building Construction Account--State
Appropriation . . . . . ((~~$4,297,000~~))
$15,993,000

Columbia River Basin Water Supply Development
Account--State Appropriation . . . . . ((~~$269,000~~))
$473,000

State Taxable Building Construction Account--State
Appropriation . . . . . ((~~$211,000~~))
$2,621,000

Debt-Limit Reimbursable Bond Retire Account--State
Appropriation . . . . . $2,320,000

Hood Canal Aquatic Rehabilitation Bond Account--State
Appropriation . . . . . $1,000

Columbia River Basin Taxable Bond Water Supply
Development Account--State Appropriation . . . . . $182,000

TOTAL APPROPRIATION . . . . . ((~~$1,808,781,000~~))
$1,828,561,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

**Sec. 702.** 2013 2nd sp.s. c 4 s 703 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2014) . . . . . $25,636,000

General Fund--State Appropriation (FY 2015) . . . . . $16,102,000

Nondebt-Limit Reimbursable Bond Retirement Account--State Appropriation . . . . . ((~~$140,215,000~~)) $139,952,000

TOTAL APPROPRIATION . . . . . ((~~$181,953,000~~)) $181,690,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for expenditure into the nondebt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the nondebt-limit general fund bond retirement account by June 30, 2014.

**Sec. 703.** 2013 2nd sp.s. c 4 s 704 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$1,726,000~~)) $1,401,000

General Fund--State Appropriation (FY 2015) . . . . . ((~~$1,726,000~~)) $1,401,000

State Building Construction Account--State Appropriation . . . . . ((~~$867,000~~)) $2,156,000

Columbia River Basin Water Supply Development Account--State Appropriation . . . . . ((~~$57,000~~)) $66,000

State Taxable Building Construction Account--State Appropriation . . . . . ((~~$45,000~~)) $324,000

Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation . . . . . $1,000

Columbia River Basin Taxable Bond Water Supply
Development Account--State Appropriation . . . . . $18,000
TOTAL APPROPRIATION . . . . . ((~~$4,421,000~~))
$5,367,000

**Sec. 704.** 2013 2nd sp.s. c 4 s 706 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--DISASTER RESPONSE ACCOUNT**

General Fund--State Appropriation (FY 2014) . . . . . ((~~$5,100,000~~))
$16,408,000
General Fund--State Appropriation (FY 2015) . . . . . $2,500,000
TOTAL APPROPRIATION . . . . . ((~~$7,600,000~~))
$18,908,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the disaster response account for emergency fire suppression by the department of natural resources and to complete projects necessary to recover from previously declared disasters.

**Sec. 705.** 2013 2nd sp.s. c 4 s 710 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--COUNTY PUBLIC HEALTH ASSISTANCE**

General Fund--State Appropriation (FY 2014) . . . . . $36,386,000
General Fund--State Appropriation (FY 2015) . . . . . $36,386,000
TOTAL APPROPRIATION . . . . . $72,772,000

The appropriations in this section are subject to the following conditions and limitations: The state treasurer shall distribute the appropriations to the following counties and health districts in the amounts designated to support public health services, including public health nursing:

| **Health District** | **FY 2014** | **FY 2015** | **2013-15 Biennium** |
|---|---|---|---|
| Adams County Health District | $121,213 | $121,213 | $242,426 |
| Asotin County Health District | $159,890 | $159,890 | $319,780 |

| | | | |
|---|---|---|---|
| Benton-Franklin Health District | $1,614,337 | $1,614,337 | $3,228,674 |
| Chelan-Douglas Health District | $399,634 | $399,634 | $799,268 |
| Clallam County Health and Human Services Department | $291,401 | $291,401 | $582,802 |
| Clark County Health District | $1,767,341 | $1,767,341 | $3,534,682 |
| Skamania County Health Department | $111,327 | $111,327 | $222,654 |
| Columbia County Health District | $119,991 | $119,991 | $239,982 |
| Cowlitz County Health Department | $477,981 | $477,981 | $955,962 |
| Garfield County Health District | $93,154 | $93,154 | $186,308 |
| Grant County Health District | $297,761 | $297,762 | $595,523 |
| Grays Harbor Health Department | $335,666 | $335,666 | $671,332 |
| Island County Health Department | $255,224 | $225,224 | $510,448 |
| Jefferson County Health and Human Services | $184,080 | $184,080 | $368,160 |
| Seattle-King County Department of Public Health | $10,558,598 | (($~~$10,558,598~~)) $12,685,521 | (($~~$21,117,196~~)) $23,244,119 |
| Bremerton-Kitsap County Health District | $997,476 | $997,476 | $1,994,952 |
| Kittitas County Health Department | $198,979 | $198,979 | $397,958 |
| Klickitat County Health Department | $153,784 | $153,784 | $307,568 |
| Lewis County Health Department | $263,134 | $263,134 | $526,268 |
| Lincoln County Health Department | $113,917 | $113,917 | $227,834 |
| Mason County Department of Health Services | $227,448 | $227,448 | $454,896 |
| Okanogan County Health District | $169,882 | $169,882 | $339,764 |
| Pacific County Health Department | $169,075 | $169,075 | $338,150 |
| Tacoma-Pierce County Health Department | $4,143,169 | $4,143,169 | $8,286,338 |
| San Juan County Health and Community Services | $2,253,493 | (($~~$2,253,493~~)) $126,569 | (($~~$4,506,986~~)) $2,380,062 |
| Skagit County Health Department | $449,745 | $449,745 | $899,490 |
| Snohomish Health District | $3,433,291 | $3,433,291 | $6,866,582 |
| Spokane County Health District | $2,877,318 | $2,877,318 | $5,574,636 |
| Northeast Tri-County Health District | $249,303 | $249,303 | $498,606 |
| Thurston County Health Department | $1,046,897 | $1,046,897 | $2,093,794 |
| Wahkiakum County Health Department | $93,181 | (($~~$9,180~~)) $93,181 | (($~~$186,361~~)) $186,362 |
| Walla Walla County-City Health Department | $302,173 | $302,173 | $604,346 |
| Whatcom County Health Department | $1,214,301 | $1,214,301 | $2,428,602 |
| Whitman County Health Department | $189,355 | $189,355 | $378,710 |
| Yakima Health District | $1,052,482 | $1,052,482 | $2,104,964 |

| | | | |
|---|---|---|---|
| TOTAL APPROPRIATIONS | $36,386,001 | $36,386,001 | $72,772,002 |

**Sec. 706.** 2013 2nd sp.s. c 4 s 714 (uncodified) is amended to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--LEAN MANAGEMENT STRATEGIES EFFICIENCY SAVINGS**

General Fund--State Appropriation (FY 2015) . . . . . ((~~($30,000,000)~~))
($15,000,000)

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

(1) The legislature is committed to promoting a state government culture that makes sustained improvement a habitual behavior from front-line staff to agency leadership.

(2) The office of financial management must develop a strategic lean management action plan to drive efficiencies in state spending and to increase productivity of state employees while improving and increasing state services for taxpayers. The action plan must determine the specific agencies and programs that would benefit most from application of the action plan, and the plan must target resources accordingly.

(3) The office of financial management must integrate lean principles into all performance management efforts.

(4) The office of financial management and the office of the chief information officer must integrate lean principles into all major information technology initiatives.

(5) The office of financial management must develop and implement a lean practitioner fellowship program to train state agency staff. Agency staff participating in the fellowship will be assigned to work on statewide efforts that streamline and improve processes across agencies.

(6) Agencies must report to the office of financial management at least twice per fiscal year process improvements and efficiencies gained through tools such as the lean strategy. The office of financial management must compile and transmit these reports to the appropriate fiscal committees of the legislature at least every six months, beginning January 1, 2014.

(7) The office of financial management must report to the legislature by December 2014 on the viability of the lean/performance management program becoming a self-funding program.

(8) The office of financial management must reduce allotments for affected state agencies by ((~~$30,000,000~~)) $15,000,000 from the state general fund for fiscal year 2015 in this act to reflect fiscal year 2015 savings resulting from application of the lean management and performance management strategies required by this section.

NEW SECTION. **Sec. 707.** 2013 2nd sp.s. c 4 s 720 (uncodified) is repealed.

NEW SECTION. **Sec. 708.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION LEGACY TRUST ACCOUNT**

General Fund--State Appropriation (FY 2015) . . . . . $23,500,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the education legacy trust account.

NEW SECTION. **Sec. 709.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

**FOR SUNDRY CLAIMS**

The following sums, or so much thereof as may be necessary, are appropriated from the general fund for fiscal year 2014, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims. These appropriations are to be disbursed on vouchers approved by the director of the department of enterprise services, except as otherwise provided, for reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as follows:

(1) Tony M. Noble, claim number 99970075 . . . . . $5,670

(2) Patrick Earl, claim number 99970076 . . . . . $2,799

(3) Stephen J. Felice, claim number 99970076 . . . . . $17,275

(4) Michael Felice, claim number 99970076 . . . . . $93,809

(5) Noe Angel Aranda Hernandez, claim number 99970077 . . . . . $12,500

NEW SECTION. **Sec. 710.** A new section is added to 2013 2nd sp.s. c 4 (uncodified) to read as follows:

**FOR THE OFFICE OF FINANCIAL MANAGEMENT--STATE EMPLOYEE INSURANCE**

General Fund--State Appropriation (FY 2015) . . . . . .($236,000)

The appropriation in this section is to reduce allotments in nonrevisable agencies to reflect the reduced cost of state employee insurance during the 2015 fiscal year in the same fashion as in the appropriations to other agencies.

(End of part)

## PART VIII
## OTHER TRANSFERS AND APPROPRIATIONS

**Sec. 801.** 2013 2nd sp.s. c 4 s 801 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION**

General Fund Appropriation for fire insurance premium distributions . . . . . ((~~$8,248,000~~)) $8,591,000

General Fund Appropriation for public utility district excise tax distributions . . . . . ((~~$50,894,000~~)) $53,685,000

General Fund Appropriation for prosecuting attorney distributions . . . . . ((~~$6,068,000~~)) $5,985,000

General Fund Appropriation for boating safety and education distributions . . . . . $4,000,000

General Fund Appropriation for other tax distributions . . . . .$65,000

General Fund Appropriation for habitat conservation program distributions . . . . . ((~~$3,000,000~~)) $3,154,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies . . . . . $3,158,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution . . . . . .$146,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties . . . . . ((~~$72,120,000~~)) $76,886,000

County Criminal Justice Assistance Appropriation . . . ((~~$78,983,000~~)) $78,850,000

Municipal Criminal Justice Assistance Appropriation . . . . . ((~~$30,550,000~~)) $30,515,000

City-County Assistance Account Appropriation for local government financial assistance distribution . . . ((~~$17,134,000~~)) $19,561,000

Liquor Excise Tax Account Appropriation for liquor excise tax distribution . . . . . ((~~$24,744,000~~)) $24,653,000

Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes . . . . . ((~~$50,488,000~~)) $50,048,000

Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation . . . . . ((~~$7,760,000~~)) $7,752,000

Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians . . . . . ((~~$5,025,000~~)) $5,013,000

Liquor Revolving Account Appropriation for liquor profits distribution . . . . . $98,876,000

TOTAL APPROPRIATION . . . . . ((~~$434,259,000~~)) $470,938,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**Sec. 802.** 2013 2nd sp.s. c 4 s 802 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driver Safety Account Appropriation . . . . . ((~~$2,469,000~~)) $2,246,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2013-2015 fiscal biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,

Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**Sec. 803.** 2013 2nd sp.s. c 4 s 803 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

Impaired Driver Safety Account Appropriation . . . . . ((~~$1,646,000~~))
$1,497,000

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2013-2015 fiscal biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

**Sec. 804.** 2013 2nd sp.s. c 4 s 804 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**

General Fund Appropriation for federal flood control
funds distribution . . . . . $66,000

General Fund Appropriation for federal grazing fees
distribution . . . . . .$1,706,000

Forest Reserve Fund Appropriation for federal forest
reserve fund distribution . . . . . ((~~$5,636,000~~))
$24,446,000
TOTAL APPROPRIATION . . . . . ((~~$7,408,000~~))
$26,218,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

**Sec. 805.** 2013 2nd sp.s. c 4 s 805 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--TRANSFERS**

State Treasurer's Service Account: For transfer to the state general fund, $10,100,000 for fiscal year 2014 and $10,100,000 for fiscal year 2015 . . . . . $20,200,000

Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account . . . . $32,000,000

General Fund: For transfer to the streamlined sales and use tax account, $25,284,000 for fiscal year 2014 and $25,204,000 for fiscal year 2015 . . . . . ((~~$50,488,000~~))
$50,048,000

Public Works Assistance Account: For transfer to the education legacy trust account, $138,622,000 for fiscal year 2014 and $138,622,000 for fiscal year 2015 . . . . . $277,244,000

Local Toxics Control Account: For transfer to the state general fund, $9,000,000 for fiscal year 2014 and $9,000,000 for fiscal year 2015 . . . . . $18,000,000

State Taxable Building Construction Account: For transfer to the Columbia River basin taxable bond water supply development account, an amount not to exceed . . . . . $32,000,000

Employment Training Finance Account: For transfer to the state general fund, $1,000,000 for fiscal year 2014 and $1,000,000 for fiscal year 2015 . . . . . $2,000,000

Tuition Recovery Trust Account: For transfer to the state general fund, $1,250,000 for fiscal year 2014

and $1,250,000 for fiscal year 2015 . . . . . $2,500,000

General Fund: For transfer to the child and family reinvestment account, ((~~$3,800,000~~)) $1,575,000 for fiscal year 2014 and ((~~$2,691,000~~)) $1,755,000 for fiscal year 2015 . . . . . ((~~$6,491,000~~)) $3,330,000

Flood Control Assistance Account: For transfer to the state general fund, $1,000,000 for fiscal year 2014 and $1,000,000 for fiscal year 2015 . . . . . $2,000,000

Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account . . . . . ((~~$157,221,000~~)) $168,053,000

Tobacco Settlement Account: For transfer to the state general fund from the amounts deposited in the account that are attributable to the annual strategic contribution payment received in fiscal year 2014 . . . . . $17,000,000

Tobacco Settlement Account: For transfer to the state general fund from the amounts deposited in the account that are attributable to the annual strategic contribution payment received in fiscal year 2015 . . . . . $17,000,000

Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual remaining amount of the annual strategic contribution payment to the tobacco settlement account for fiscal year 2014 . . . . . .$9,515,000

Tobacco Settlement Account: For transfer to the life sciences discovery fund, in an amount not to exceed the actual remaining amount of the annual strategic contribution payment to the tobacco settlement account for fiscal year 2015 . . . . . .$9,515,000

The transfer to the life sciences discovery fund is subject to the following conditions:

(1) The life sciences discovery fund authority board of trustees

shall begin preparing to become a self-sustaining entity capable of operating without direct state subsidy by the time the tobacco strategic contribution supplemental payments end in fiscal year 2017.

(2) $250,000 of the appropriation in fiscal year 2014 and $250,000 of the appropriation in fiscal year 2015 are provided solely to promote the development and delivery of global health technologies and products.

(a) The life sciences discovery fund authority must either administer a grant application, review, and reward process, or contract with a qualified nonprofit organization for these services. State moneys must be provided for grants to entities for the development, production, promotion, and delivery of global health technologies and products. Grant award criteria must include:

(i) The quality of the proposed research or the proposed technical assistance in product development or production process design. Any grant funds awarded for research activities must be awarded for nonbasic research that will assist in the commercialization or manufacture of global health technologies;

(ii) The potential for the grant recipient to improve global health outcomes;

(iii) The potential for the grant to leverage additional funding for the development of global health technologies and products;

(iv) The potential for the grant to stimulate, or promote technical skills training for, employment in the development of global health technologies in the state; and

(v) The willingness of the grant recipient, when appropriate, to enter into royalty or licensing income agreements with the authority.

(b) The authority, or the contractor of the authority, must report information including the types of products and research funded, the funding leveraged by the grants, and the number and types of jobs created as a result of the grants, to the economic development committees of the legislature by December 1, 2014.

Aquatic Lands Enhancement Account: For transfer to the geoduck aquaculture research account, $150,000 for fiscal year 2014 and $150,000 for fiscal year 2015 . . . . $300,000

Health Benefit Exchange Account: For transfer to the state general fund for fiscal year 2015 . . . . . $21,514,000

Criminal Justice Treatment Account: For transfer to the

state general fund, $437,000 for fiscal year 2014 and $2,746,000 for fiscal year 2015 . . . . . $3,183,000

Resources Management Cost Account--Aquatics: For transfer to the marine resources stewardship trust account, $1,850,000 for fiscal year 2014 and $1,850,000 for fiscal year 2015 . . . . . $3,700,000

Legal Services Revolving Account: For transfer to the state general fund, $976,000 for fiscal year 2014 and $1,477,000 for fiscal year 2015 . . . . . $2,453,000

Personnel Service Account: For transfer to the state general fund, $733,000 for fiscal year 2014 and $733,000 for fiscal year 2015 . . . . . $1,466,000

Data Processing Revolving Account: For transfer to the state general fund, $4,069,000 for fiscal year 2014 and $4,070,000 for fiscal year 2015 . . . . . $8,139,000

Home Security Fund Account: For transfer to the transitional housing operating and rent account . . . . $7,500,000

Professional Engineers' Account: For transfer to the state general fund, $956,000 for fiscal year 2014 and $957,000 for fiscal year 2015 . . . . . $1,913,000

Electrical License Account: For transfer to the state general fund, $1,700,000 for fiscal year 2014 and $1,700,000 for fiscal year 2015 . . . . . $3,400,000

Business and Professions Account: For transfer to the state general fund, $1,838,000 for fiscal year 2014 and $1,800,000 for fiscal year 2015 . . . . . $3,638,000

Energy Freedom Account: For transfer to the state general fund, $1,000,000 for fiscal year 2014 and $1,000,000 for fiscal year 2015 . . . . . $2,000,000

Pollution Liability Insurance Program Trust Account: For transfer to the state general fund, $2,500,000 for fiscal year 2014 and $2,500,000 for fiscal year 2015 . . . . . $5,000,000

Real Estate Commission Account: For transfer to the state general fund, $1,700,000 for fiscal year 2014 and $1,700,000 for fiscal year 2015 . . . . . $3,400,000

State Lottery Account: For transfer to the education legacy trust account, $6,050,000 for fiscal year 2014

and $6,050,000 for fiscal year 2015 . . . . . $12,100,000

State Toxics Control Account: For transfer to the radioactive mixed waste account, $2,000,000 for fiscal year 2014 . . . . . $2,000,000

General Fund: For transfer to the education savings account, $387.04 for fiscal year 2014 . . . . . $387.04

State Toxics Control Account: For transfer to the education legacy trust account, $20,941,000 for fiscal year 2014 and $20,942,000 for fiscal year 2015 . . . . . $41,883,000

Local Toxics Control Account: For transfer to the education legacy trust account, $33,682,000 for fiscal year 2014 and $33,682,000 for fiscal year 2015 . . . . . $67,364,000

(End of part)

## PART IX
## MISCELLANEOUS

**Sec. 901.** 2013 2nd sp.s. c 4 s 932 (uncodified) is amended to read as follows:

**COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION--INSURANCE BENEFITS**

No agreement was reached between the governor and the health care super coalition under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Appropriations in this act for fiscal year 2014 for state agencies, including institutions of higher education are sufficient to continue the provisions of the 2011-2013 collective bargaining agreement. An agreement was reached between the governor and the health care super coalition under the provisions of chapter 41.80 RCW for fiscal year 2015. The agreement includes employer contributions to premiums at 85 percent of the total weighted average of the projected health care premiums. Appropriations in this act for fiscal year 2015 for state agencies, including institutions of higher education are sufficient to fund the provisions of the fiscal year 2015 collective bargaining agreement, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $782 per eligible employee for fiscal year 2014. For fiscal year 2015 the monthly employer funding rate shall not exceed ((~~$763~~)) $703 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require or make any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with the collective bargaining agreement and RCW 41.05.065. Beginning July 1, 2014, the board shall add a $25 per month surcharge to the premiums due from members who use tobacco products and a surcharge of not less than $50 per month to the premiums due from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in other employer-based group health insurance that has benefits

and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015 shall be up to $150 per month.

**Sec. 902.** 2013 2nd sp.s. c 4 s 933 (uncodified) is amended to read as follows:

**COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

Appropriations for state agencies in this act are sufficient for represented employees outside the super coalition for health benefits, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $782 per eligible employee for fiscal year 2014. For fiscal year 2015 the monthly employer funding rate shall not exceed ((~~$763~~)) <u>$703</u> per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require or make any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. Beginning July 1, 2014, the board shall add a $25 per month surcharge to the premiums due from members who use tobacco products and a surcharge of not less than $50 per month to the premiums due from members who cover a spouse or domestic partner where the spouse or

domestic partner has chosen not to enroll in other employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015 shall be up to $150 per month.

**Sec. 903.** 2013 2nd sp.s. c 4 s 937 (uncodified) is amended to read as follows:

**COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

(1) An agreement has been reached between the governor and the service employees international union local 925 under the provisions of chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is provided for increases to health care, scholarship funding and non-standard hours bonus.

(2) An agreement has been reached between the governor and the service employees international union local 925 under the provisions of chapter 41.56 RCW for fiscal year 2015. Funding is provided to increase the child care subsidy rates for licensed and exempt family child care providers by four percent on July 1, 2014, and another four percent on January 1, 2015. Two million dollars is also provided to fund an early achievers tiered reimbursement pilot project for licensed family child care providers.

**Sec. 904.** 2013 2nd sp.s. c 4 s 939 (uncodified) is amended to read as follows:

**COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed $782 per eligible employee for fiscal year 2014. For fiscal year 2015 the monthly employer funding rate shall not exceed ((~~$763~~)) $703 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require or make any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. Beginning July 1, 2014, the board shall add a $25 per month surcharge to the premiums due from members who use tobacco products and a surcharge of not less than $50 per month to the premiums due from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in other employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015 shall be up to $150 per month.

(3) Technical colleges, school districts, and educational service

districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, $64.40 per month beginning September 1, 2013, and $70.39 beginning September 1, 2014; and

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, $64.40 each month beginning September 1, 2013, and $70.39 beginning September 1, 2014, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection (3) shall not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

**Sec. 905.** 2013 2nd sp.s. c 4 s 943 (uncodified) is amended to read as follows:

**ACQUISITION OF INFORMATION TECHNOLOGY PROJECTS THROUGH FINANCIAL CONTRACTS**

(1) Financial contracts for the acquisition of the information technology projects authorized in this section must be approved jointly by the office of the financial management and the office of the chief information officer. Information technology projects funded under this section shall meet the following requirements:

(a) The project reduces costs and achieves economies of scale by leveraging statewide investments in systems and data and other common or enterprise-wide solutions within and across state agencies;

(b) The project begins or continues replacement of legacy information technology systems and replacing these systems with modern and more efficient information technology systems;

(c) The project improves the ability of an agency to recover from major disaster;

(d) The project provides future savings and efficiencies for an agency through reduced operating costs, improved customer service, or increased revenue collections; and

(e) Preference for project approval must be given to an agency that

has prior approval from the office of the chief information officer, an approved business plan, and where the primary hurdle to project funding is the lack of funding capacity.

(2) The following state agencies may enter into financial contracts to finance expenditures for the acquisition and implementation of the following information technology projects for up to the respective amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW:

(a) Subject to subsection (4) of this section, ((~~$10,000,000~~)) $13,500,000 for the department of enterprise services time, leave, and attendance pilot project;

(b) $3,867,000 for the Washington state patrol for continuation of the mobile office platform;

(c) ((~~$8,500,000 for the department of social and health services conversion to the tenth version of the world health organization's international classification of diseases;~~

~~(d)~~)) $5,558,000 for the department of early learning system implementation of electronic benefit transfers;

((~~(e)~~)) (d) $4,323,000 for the department of corrections for radio infrastructure upgrades.

(3) The office of financial management with assistance from the office of the chief information officer will report to the governor and fiscal committees of the legislature by November 1st of each year on the status of distributions and expenditures on information technology projects and improved statewide or agency performance results achieved by project funding.

(4) If the Washington state department of transportation enters into financial contracts pursuant to chapter 39.94 RCW for the acquisition and implementation of a time, leave, and labor distribution system, the authorization provided to the department of enterprise services in subsection (2)(a) of this section expires.

**Sec. 906.** RCW 49.70.170 and 2010 c 8 s 12068 are each amended to read as follows:

(1) The worker and community right to know fund is hereby established in the custody of the state treasurer. The department shall deposit all moneys received under this chapter in the fund. Moneys in the fund may be spent only for the purposes of this chapter

following legislative appropriation. Disbursements from the fund shall be on authorization of the director or the director's designee. During the ((~~2003-2005~~)) 2013-2015 fiscal biennium, moneys in the fund may also be used by the military department for ((~~the purpose of assisting the state emergency response commission and coordinating local emergency planning activities~~)) disaster preparedness, readiness, response, and recovery purposes. The fund is subject to the allotment procedure provided under chapter 43.88 RCW.

(2) The department shall assess each employer who reported ten thousand four hundred or more worker hours in the prior calendar year an annual fee to provide for the implementation of this chapter. The department shall promulgate rules establishing a fee schedule for all employers who reported ten thousand four hundred or more worker hours in the prior calendar year and are engaged in business operations having a standard industrial classification, as designated in the standard industrial classification manual prepared by the federal office of management and budget, within major group numbers 01 through 08 (agriculture and forestry industries), numbers 10 through 14 (mining industries), numbers 15 through 17 (construction industries), numbers 20 through 39 (manufacturing industries), numbers 41, 42, and 44 through 49 (transportation, communications, electric, gas, and sanitary services), number 75 (automotive repair, services, and garages), number 76 (miscellaneous repair services), number 80 (health services), and number 82 (educational services). The department shall establish the annual fee for each employer who reported ten thousand four hundred or more worker hours in the prior calendar year in industries identified by this section, provided that fees assessed shall not be more than two dollars and fifty cents per full time equivalent employee. The annual fee shall not exceed fifty thousand dollars. The fees shall be collected solely from employers whose industries have been identified by rule under this chapter. The department shall promulgate rules allowing employers who do not have hazardous substances at their workplace to request an exemption from the assessment and shall establish penalties for fraudulent exemption requests. All fees collected by the department pursuant to this section shall be collected in a cost-efficient manner and shall be deposited in the fund.

(3) Records required by this chapter shall at all times be open to the inspection of the director, or his or her designee including, the

traveling auditors, agents, or assistants of the department provided for in RCW 51.16.070 and 51.48.040. The information obtained from employer records under the provisions of this section shall be subject to the same confidentiality requirements as set forth in RCW 51.16.070.

(4) An employer may appeal the assessment of the fee or penalties pursuant to the procedures set forth in Title 51 RCW and accompanying rules except that the employer shall not have the right of appeal to superior court as provided in Title 51 RCW. The employer from whom the fee or penalty is demanded or enforced, may however, within thirty days of the board of industrial insurance appeal's final order, pay the fee or penalty under written protest setting forth all the grounds upon which such fee or penalty is claimed to be unlawful, excessive, or otherwise improper and thereafter bring an action in superior court against the department to recover such fee or penalty or any portion of the fee or penalty which was paid under protest.

(5) Repayment shall be made to the general fund of any moneys appropriated by law in order to implement this chapter.

**Sec. 907.** RCW 70.105D.070 and 2013 2nd sp.s. c 19 s 7033 and 2013 2nd sp.s. c 4 s 992 are each reenacted and amended to read as follows:

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

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

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

(c) In addition to the funds required under (a) of this subsection, the following moneys must be deposited into the state toxics control account: (i) The costs of remedial actions recovered under this

chapter or chapter 70.105A RCW; (ii) penalties collected or recovered under this chapter; and (iii) any other money appropriated or transferred to the account by the legislature.

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

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

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

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

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

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

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

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

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

(i) Programs authorized under chapter 70.146 RCW;

(j) A public participation program;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(d) During the 2013-2015 fiscal biennium, the legislature may transfer from the local toxics control account to the state general fund <u>and the education legacy trust account</u>, such amounts as reflect the excess fund balance in the account.

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

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

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

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

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

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

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

(iv) Provide integrated planning grants to local governments to fund studies necessary to facilitate remedial actions at brownfield properties and adaptive reuse of properties following remediation.

Eligible activities include, but are not limited to: Environmental site assessments; remedial investigations; health assessments; feasibility studies; site planning; community involvement; land use and regulatory analyses; building and infrastructure assessments; economic and fiscal analyses; and any environmental analyses under chapter 43.21C RCW;

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

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

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

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

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

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

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

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

(6) No moneys deposited into either the state or local toxics control account may be used for: Natural disasters where there is no hazardous substance contamination; high performance buildings; solid waste incinerator facility feasibility studies, construction,

maintenance, or operation; or after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310. However, this subsection does not prevent an appropriation from the state toxics control account to the department of revenue to enforce compliance with the hazardous substance tax imposed in chapter 82.21 RCW.

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

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

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

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

**Sec. 908.** RCW 77.36.170 and 2013 c 329 s 2 are each amended to read as follows:

(1) The department may pay no more than fifty thousand dollars per fiscal year from the state wildlife account created in RCW 77.12.170 for claims and assessment costs for injury or loss of livestock caused by wolves submitted under RCW 77.36.100.

(2) Notwithstanding other provisions of this chapter, the department may also accept and expend money from other sources to address injury or loss of livestock or other property caused by wolves consistent with the requirements on that source of funding.

(3) If any wildlife account expenditures authorized under subsections (1) and (4) of this section are unspent as of June 30th of a fiscal year, the state treasurer shall transfer the unspent amount to the wolf-livestock conflict account created in RCW 77.36.180.

(4) During the 2014 fiscal year, the department may pay no more than two hundred and fifty thousand dollars from the state wildlife account created in RCW 77.12.170 for claims and assessment costs for injury or loss of livestock caused by wolves submitted under RCW 77.36.100.

**Sec. 909.** RCW 82.08.160 and 2013 2nd sp.s. c 4 s 1003 are each amended to read as follows:

(1) On or before the twenty-fifth day of each month, all taxes collected under RCW 82.08.150 during the preceding month must be remitted to the state department of revenue, to be deposited with the state treasurer. Except as provided in subsections (2), (3), and (4) of this section, upon receipt of such moneys the state treasurer must credit sixty-five percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) and one hundred percent of the sums collected and remitted under RCW 82.08.150 (3) and (4) to the state general fund and thirty-five percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) to a fund which is hereby created to be known as the "liquor excise tax fund."

(2) During the 2012 fiscal year, 66.19 percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the state general fund and the remainder collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the liquor excise tax fund.

(3) During fiscal year 2013, all funds collected under RCW

82.08.150 (1), (2), (3), and (4) must be deposited into the state general fund.

(4) During the 2013-2015 fiscal biennium, ((~~eighty two~~)) seventy seven and one-half percent of the sums collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the state general fund and the remainder collected and remitted under RCW 82.08.150 (1) and (2) must be deposited in the liquor excise tax fund. The legislature intends for the amendments in section 908, chapter . . ., Laws of 2014 (this act) to be curative, clarifying, and remedial and to apply retroactively to July 1, 2013.

NEW SECTION. **Sec. 910.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 911.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

(End of Bill)

ACQUISITION OF INFORMATION TECHNOLOGY PROJECTS THROUGH FINANCIAL CONTRACTS . . 236
ADMINISTRATOR FOR THE COURTS . . . . . 8
ATTORNEY GENERAL . . . . . 18
BOARD FOR VOLUNTEER FIREFIGHTERS . . . . . 42
BOARD OF ACCOUNTANCY . . . . . 40
BOARD OF INDUSTRIAL INSURANCE APPEALS . . . . . 102
BOARD OF TAX APPEALS . . . . . 35
CASELOAD FORECAST COUNCIL . . . . . 20
CENTRAL WASHINGTON UNIVERSITY . . . . . 204
CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS . . . . . 17
COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES
SEIU LOCAL 925 CHILDCARE WORKERS . . . . . 234
COLUMBIA RIVER GORGE COMMISSION . . . . . 128
COMMISSION ON AFRICAN-AMERICAN AFFAIRS . . . . . 32
COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS . . . . . 16
COMMISSION ON HISPANIC AFFAIRS . . . . . 32
COMMISSION ON JUDICIAL CONDUCT . . . . . 8
COMPENSATION
NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS . . . . . 235
REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE BENEFITS . . . . 233
REPRESENTED EMPLOYEES--SUPER COALITION--INSURANCE BENEFITS . . . . . 232
CONSERVATION COMMISSION . . . . . 135
COURT OF APPEALS . . . . . 8
CRIMINAL JUSTICE TRAINING COMMISSION . . . . . 102
DEPARTMENT OF AGRICULTURE . . . . . 143
DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION . . . . . 43
DEPARTMENT OF COMMERCE . . . . . 20
DEPARTMENT OF CORRECTIONS . . . . . 115
DEPARTMENT OF EARLY LEARNING . . . . . 210
DEPARTMENT OF ECOLOGY . . . . . 128
DEPARTMENT OF ENTERPRISE SERVICES . . . . . 40
DEPARTMENT OF FISH AND WILDLIFE . . . . . 136
DEPARTMENT OF HEALTH . . . . . 107
DEPARTMENT OF LABOR AND INDUSTRIES . . . . . 104
DEPARTMENT OF LICENSING . . . . . 146
DEPARTMENT OF NATURAL RESOURCES . . . . . 139

DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS . . . . . 33
DEPARTMENT OF REVENUE . . . . . 34
DEPARTMENT OF SERVICES FOR THE BLIND . . . . . 125
DEPARTMENT OF SOCIAL AND HEALTH SERVICES . . . . . 44
ADMINISTRATION AND SUPPORTING SERVICES PROGRAM . . . . . 83
AGING AND ADULT SERVICES PROGRAM . . . . . 69
ALCOHOL AND SUBSTANCE ABUSE PROGRAM . . . . . 79
CHILDREN AND FAMILY SERVICES PROGRAM . . . . . 47
DEVELOPMENTAL DISABILITIES PROGRAM . . . . . 66
ECONOMIC SERVICES PROGRAM . . . . . 76
JUVENILE REHABILITATION PROGRAM . . . . . 52
MENTAL HEALTH PROGRAM . . . . . 57
PAYMENTS TO OTHER AGENCIES PROGRAM . . . . . 85
SPECIAL COMMITMENT PROGRAM . . . . . 82
VOCATIONAL REHABILITATION PROGRAM . . . . . 81
DEPARTMENT OF VETERANS AFFAIRS . . . . . 106
EASTERN WASHINGTON STATE HISTORICAL SOCIETY . . . . . 215
EASTERN WASHINGTON UNIVERSITY . . . . . 203
ECONOMIC AND REVENUE FORECAST COUNCIL . . . . . 27
EMPLOYMENT SECURITY DEPARTMENT . . . . . 125
ENVIRONMENTAL AND LAND USE HEARINGS OFFICE . . . . . 134
EVERGREEN STATE COLLEGE . . . . . 204
GAMBLING COMMISSION . . . . . 43
GOVERNOR'S OFFICE OF INDIAN AFFAIRS . . . . . 16
HORSE RACING COMMISSION . . . . . 40
HOUSE OF REPRESENTATIVES . . . . . 2
HUMAN RIGHTS COMMISSION . . . . . 101
INSURANCE COMMISSIONER . . . . . 35
JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE . . . . . 2
JOINT LEGISLATIVE SYSTEMS COMMITTEE . . . . . 6
LAW LIBRARY . . . . . 7
LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE . . . . . 6
LIEUTENANT GOVERNOR . . . . . 13
LIQUOR CONTROL BOARD . . . . . 36
MILITARY DEPARTMENT . . . . . 38
OFFICE OF ADMINISTRATIVE HEARINGS . . . . . 31
OFFICE OF CIVIL LEGAL AID . . . . . 12
OFFICE OF FINANCIAL MANAGEMENT . . . . . 28
DISASTER RESPONSE ACCOUNT . . . . . 219

EDUCATION LEGACY TRUST ACCOUNT . . . . . 222
LEAN MANAGEMENT STRATEGIES EFFICIENCY SAVINGS . . . . . 221
STATE EMPLOYEE INSURANCE . . . . . .223
OFFICE OF LEGISLATIVE SUPPORT SERVICES . . . . . 7
OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES . . . . . 35
OFFICE OF PUBLIC DEFENSE . . . . . 11
OFFICE OF THE GOVERNOR . . . . . 12
OFFICE OF THE STATE ACTUARY . . . . . 6
PROGRAMS FOR HIGHLY CAPABLE STUDENTS . . . . . 179
PUBLIC BACCALAUREATE INSTITUTIONS . . . . . .194
PUBLIC DISCLOSURE COMMISSION . . . . . .13
PUBLIC EMPLOYMENT RELATIONS COMMISSION . . . . . 39
PUGET SOUND PARTNERSHIP . . . . . .144
RECREATION AND CONSERVATION FUNDING BOARD . . . . . .134
SECRETARY OF STATE . . . . . .13
SENATE . . . . . 2
STATE AUDITOR . . . . . .17
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES . . . . . .195, 197
STATE HEALTH CARE AUTHORITY . . . . . .85
STATE INVESTMENT BOARD . . . . . 36
STATE PARKS AND RECREATION COMMISSION . . . . . 133
STATE PATROL . . . . . .147
STATE SCHOOL FOR THE BLIND . . . . . 214
STATE TREASURER . . . . . 16, 224
BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION . . . . . 217, 218
COUNTY PUBLIC HEALTH ASSISTANCE . . . . . 219
FEDERAL REVENUES FOR DISTRIBUTION . . . . . 226
FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT . . . . . 225
MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT . . . . . 226
TRANSFERS . . . . . .227
STATUTE LAW COMMITTEE . . . . . 7
STUDENT ACHIEVEMENT COUNCIL
OFFICE OF STUDENT FINANCIAL ASSISTANCE . . . . . .207
POLICY COORDINATION AND ADMINISTRATION . . . . . .207
SUNDRY CLAIMS . . . . . 222
SUPERINTENDENT OF PUBLIC INSTRUCTION . . . . . .150, 191
EDUCATION REFORM PROGRAMS . . . . . 180
EDUCATIONAL SERVICE DISTRICTS . . . . . 177
GENERAL APPORTIONMENT . . . . . .159

INSTITUTIONAL EDUCATION PROGRAMS . . . . . 178
LEARNING ASSISTANCE PROGRAM . . . . . 189
LOCAL EFFORT ASSISTANCE . . . . . 178
MISCELLANEOUS--NO CHILD LEFT BEHIND ACT . . . . . 180
PUPIL TRANSPORTATION . . . . . 172
SCHOOL FOOD SERVICE PROGRAMS . . . . . 173
SPECIAL EDUCATION PROGRAMS . . . . . 174
TRANSITIONAL BILINGUAL PROGRAMS . . . . . 188
SUPREME COURT . . . . . 7
UNIVERSITY OF WASHINGTON . . . . . 199
UTILITIES AND TRANSPORTATION COMMISSION . . . . . 37
WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM . . . . . 144
WASHINGTON STATE ARTS COMMISSION . . . . . 215
WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS . . . . . 214
WASHINGTON STATE CHARTER SCHOOL COMMISSION . . . . . 216
WASHINGTON STATE HISTORICAL SOCIETY . . . . . 215
WASHINGTON STATE LOTTERY . . . . . 32
WASHINGTON STATE UNIVERSITY . . . . . 201
WESTERN WASHINGTON UNIVERSITY . . . . . 206
WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD . . . . . 210

**--- END ---**