
ENGROSSED SUBSTITUTE SENATE BILL 5905

State of Washington

60th Legislature

2007 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Franklin, Pflug, Keiser, Tom, Zarelli, Marr and Carrell)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to certificate of capital authorization; and
2 amending RCW 74.46.803 and 74.46.807.

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

4 **Sec. 1.** RCW 74.46.803 and 2001 1st sp.s. c 8 s 16 are each amended
5 to read as follows:

6 (1) The department shall establish rules for issuing a certificate
7 of capital authorization. (~~Applications for a certificate of capital~~
8 ~~authorization shall be submitted and approved on a biennial basis.~~)
9 The rules shall address the following subjects, among others:

10 (a) The period of time during which applications for certificates
11 of capital authorization will be accepted;

12 (b) The period of time for which a certificate of capital
13 authorization will be valid; and

14 (c) The prioritization of applications for certificates of capital
15 authorization, consistent with the principles set out in this section.

16 (2) The rules for a certificate of capital authorization shall be
17 consistent with the following principles:

18 (~~(1) The certificate of capital authorization shall be approved on~~
19 ~~a first come, first served basis.~~

1 ~~(2) Those projects that do not receive approval in one~~
2 ~~authorization period shall have priority the following biennium should~~
3 ~~the project be resubmitted.)~~)

4 (a) In processing and approving certificates of capital
5 authorization, priority shall be given to construction or major
6 renovation of existing facilities or replacement facilities. Those
7 existing or replacement facilities with the greatest length of time
8 since their last major renovation or construction shall be given first
9 priority.

10 (b) A certificate of capital authorization is only required for
11 capital expenditures exceeding the expenditure minimum as defined in
12 RCW 70.38.025.

13 (c) Certificates of capital authorization for new facilities shall
14 receive last priority and be assigned on a first-come, first-served
15 basis.

16 (d) Within the priorities established by this section, applications
17 for certificates of capital authorization that do not receive approval
18 in one state fiscal year because that year's authorization limit has
19 been reached shall have priority the following year if the applications
20 are resubmitted.

21 (3) The department shall have the authority to give first priority
22 for a project that is necessitated by an emergency situation even if
23 the project is not submitted in a timely fashion. (~~The department~~
24 ~~shall establish rules for determining what constitutes an emergency.~~)
25 Projects shall be considered on an emergency basis if the construction
26 or renovation must be completed as soon as possible to:

27 (a) Retain a facility's license or certification;

28 (b) Protect the health or safety of the facility's residents; or

29 (c) Avoid closure.

30 (4) The department shall establish deadlines for progress and the
31 department shall have the authority to withdraw the certificate of
32 capital authorization where the holder of the certificate has not
33 complied with those deadlines in a good faith manner.

34 **Sec. 2.** RCW 74.46.807 and 2001 1st sp.s. c 8 s 15 are each amended
35 to read as follows:

36 The total capital authorization available for any ~~((biennial))~~
37 state fiscal year period shall be specified in the biennial

1 appropriations act and shall be calculated on an annual basis. ((When
2 ~~setting the capital authorization level, the legislature shall consider~~
3 ~~both the need for, and the cost of, new and replacement beds.))~~

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