

1 TOTAL APPROPRIATION ((~~\$13,318,000~~))
2 \$13,437,000

3 **Sec. 102.** 2012 2nd sp.s. c 7 s 112 (uncodified) is amended to read
4 as follows:

5 **FOR THE LAW LIBRARY**
6 General Fund--State Appropriation (FY 2012) \$1,504,000
7 General Fund--State Appropriation (FY 2013) \$21,000
8 Judicial Information System Account--State
9 Appropriation \$1,500,000
10 TOTAL APPROPRIATION ((~~\$3,004,000~~))
11 \$3,025,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: \$50,000 of the judicial information system
14 account--state appropriation is provided solely to evaluate the state
15 law library and assess its operational structure to determine the most
16 effective delivery model for providing library services.

17 **Sec. 103.** 2012 2nd sp.s. c 7 s 114 (uncodified) is amended to read
18 as follows:

19 **FOR THE COURT OF APPEALS**
20 General Fund--State Appropriation (FY 2012) \$15,275,000
21 General Fund--State Appropriation (FY 2013) ((~~\$15,168,000~~))
22 \$15,246,000
23 TOTAL APPROPRIATION ((~~\$30,443,000~~))
24 \$30,521,000

25 **Sec. 104.** 2012 2nd sp.s. c 7 s 115 (uncodified) is amended to read
26 as follows:

27 **FOR THE ADMINISTRATOR FOR THE COURTS**
28 General Fund--State Appropriation (FY 2012) ((~~\$50,725,000~~))
29 \$50,726,000
30 General Fund--State Appropriation (FY 2013) ((~~\$48,429,000~~))
31 \$48,644,000
32 General Fund--Federal Appropriation \$2,532,000
33 General Fund--Private/Local Appropriation \$390,000
34 Judicial Information Systems Account--State
35 Appropriation \$42,362,000

1	Judicial Stabilization Trust Account--State	
2	Appropriation	\$5,954,000
3	TOTAL APPROPRIATION	((\$150,392,000))
4		<u>\$150,608,000</u>

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

7 (1) \$1,800,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$1,399,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for school districts for petitions
10 to juvenile court for truant students as provided in RCW 28A.225.030
11 and 28A.225.035. The office of the administrator for the courts shall
12 develop an interagency agreement with the superintendent of public
13 instruction to allocate the funding provided in this subsection.
14 Allocation of this money to school districts shall be based on the
15 number of petitions filed. This funding includes amounts school
16 districts may expend on the cost of serving petitions filed under RCW
17 28A.225.030 by certified mail or by personal service or for the
18 performance of service of process for any hearing associated with RCW
19 28A.225.030.

20 (2)(a) \$8,252,000 of the general fund--state appropriation for
21 fiscal year 2012 and \$7,313,000 of the general fund--state
22 appropriation for fiscal year 2013 are provided solely for distribution
23 to county juvenile court administrators to fund the costs of processing
24 truancy, children in need of services, and at-risk youth petitions.
25 The administrator for the courts, in conjunction with the juvenile
26 court administrators, shall develop an equitable funding distribution
27 formula. The formula shall neither reward counties with higher than
28 average per-petition processing costs nor shall it penalize counties
29 with lower than average per-petition processing costs.

30 (b) Each fiscal year during the 2011-2013 fiscal biennium, each
31 county shall report the number of petitions processed and the total
32 actual costs of processing truancy, children in need of services, and
33 at-risk youth petitions. Counties shall submit the reports to the
34 administrator for the courts no later than 45 days after the end of the
35 fiscal year. The administrator for the courts shall electronically
36 transmit this information to the chairs and ranking minority members of
37 the house of representatives and senate ways and means committees no

1 later than 60 days after a fiscal year ends. These reports are deemed
2 informational in nature and are not for the purpose of distributing
3 funds.

4 (3) The distributions made under this subsection and distributions
5 from the county criminal justice assistance account made pursuant to
6 section 801 of this act constitute appropriate reimbursement for costs
7 for any new programs or increased level of service for purposes of RCW
8 43.135.060.

9 (4) \$265,000 of the general fund--state appropriation for fiscal
10 year 2012 is provided solely for the office of public guardianship to
11 provide guardianship services for low-income incapacitated persons.

12 (5) \$1,178,000 of the judicial information systems account--state
13 appropriation is provided solely for replacing computer equipment at
14 state courts and state judicial agencies.

15 (6) No later than September 30, 2011, the judicial information
16 systems committee shall provide a report to the legislature on the
17 recommendations of the case management feasibility study, including
18 plans for a replacement of the superior court management information
19 system (SCOMIS) and plans for completing the data exchange core system
20 component consistent with a complete data exchange standard. No later
21 than December 31, 2011, the judicial information systems committee
22 shall provide a report to the legislature on the status of the data
23 exchange, the procurement process for a SCOMIS replacement, and a case
24 management system that is designed to meet the requirements approved by
25 the superior courts and county clerks of all thirty-nine counties. The
26 legislature shall solicit input on both reports from judicial,
27 legislative, and executive stakeholders.

28 (7) In order to gather better data on juveniles in the criminal
29 justice system, the administrative office of the courts shall modify
30 the judgment and sentence form for juvenile and adult sentences to
31 include one or more check boxes indicating whether (a) the adult
32 superior court had original jurisdiction for a defendant who was
33 younger than eighteen years of age at the time the case was filed; (b)
34 the case was originally filed in juvenile court but transferred to
35 adult superior court jurisdiction; or (c) the case was originally filed
36 in adult superior court or transferred to adult superior court but then
37 returned to the juvenile court.

1 (8) \$540,000 of the judicial stabilization trust account--state
2 appropriation is provided solely for the office of public guardianship
3 to continue guardianship services for those low-income incapacitated
4 persons who were receiving services on June 30, 2012.

5 (9) The Washington association of juvenile court administrators and
6 the juvenile rehabilitation administration, in consultation with the
7 community juvenile accountability act advisory committee and the
8 Washington state institute for public policy, shall analyze and review
9 data elements available from the administrative office of the courts
10 for possible integration into the evidence-based program quality
11 assurance plans and processes. The administrative office of the
12 courts, the Washington association of juvenile court administrators,
13 and the juvenile rehabilitation administration shall provide
14 information necessary to complete the review and analysis. The
15 Washington association of juvenile court administrators and the
16 juvenile rehabilitation administration shall report the findings of
17 their review and analysis, as well as any recommendations, to the
18 legislature by December 1, 2012.

19 **Sec. 105.** 2012 2nd sp.s. c 7 s 121 (uncodified) is amended to read
20 as follows:

21 **FOR THE SECRETARY OF STATE**

22	General Fund--State Appropriation (FY 2012)	\$16,047,000
23	General Fund--State Appropriation (FY 2013)	(\$8,612,000)
24		<u>\$9,890,000</u>
25	General Fund--Federal Appropriation	\$7,326,000
26	Public Records Efficiency, Preservation, and Access	
27	Account--State Appropriation	(\$7,074,000)
28		<u>\$7,185,000</u>
29	Charitable Organization Education Account--State	
30	Appropriation	\$362,000
31	Local Government Archives Account--State	
32	Appropriation	\$8,516,000
33	Election Account--Federal Appropriation	\$17,284,000
34	Washington State Heritage Center Account--State	
35	Appropriation	\$5,028,000
36	TOTAL APPROPRIATION	(\$70,249,000)
37		<u>\$71,638,000</u>

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

3 (1) \$3,898,000 of the general fund--state appropriation for fiscal
4 year 2012 is provided solely to reimburse counties for the state's
5 share of primary and general election costs and the costs of conducting
6 mandatory recounts on state measures. Counties shall be reimbursed
7 only for those odd-year election costs that the secretary of state
8 validates as eligible for reimbursement.

9 (2)(a) \$1,847,000 of the general fund--state appropriation for
10 fiscal year 2012 and \$1,926,000 of the general fund--state
11 appropriation for fiscal year 2013 are provided solely for contracting
12 with a nonprofit organization to produce gavel-to-gavel television
13 coverage of state government deliberations and other events of
14 statewide significance during the 2011-2013 biennium. The funding
15 level for each year of the contract shall be based on the amount
16 provided in this subsection. The nonprofit organization shall be
17 required to raise contributions or commitments to make contributions,
18 in cash or in kind, in an amount equal to forty percent of the state
19 contribution. The office of the secretary of state may make full or
20 partial payment once all criteria in this subsection have been
21 satisfactorily documented.

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

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

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

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

- 1 (ii) Making contributions reportable under chapter 42.17 RCW; or
- 2 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
- 3 lodging, meals, or entertainment to a public officer or employee.
- 4 (3) Any reductions to funding for the Washington talking book and
- 5 Braille library may not exceed in proportion any reductions taken to
- 6 the funding for the library as a whole.

7 **Sec. 106.** 2012 2nd sp.s. c 7 s 127 (uncodified) is amended to read
 8 as follows:

9 **FOR THE ATTORNEY GENERAL**

10	General Fund--State Appropriation (FY 2012)	\$4,758,000
11	General Fund--State Appropriation (FY 2013)	\$7,690,000
12	General Fund--Federal Appropriation	\$10,015,000
13	New Motor Vehicle Arbitration Account--State	
14	Appropriation	\$968,000
15	Legal Services Revolving Account--State	
16	Appropriation	(\$197,375,000)
17		<u>\$197,412,000</u>
18	Tobacco Prevention and Control Account--State	
19	Appropriation	\$270,000
20	Medicaid Fraud Penalty Account--State Appropriation	\$1,129,000
21	TOTAL APPROPRIATION	(\$222,205,000)
22		<u>\$222,242,000</u>

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

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

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

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

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

11 (4) The attorney general shall enter into an interagency agreement
12 with the department of social and health services for expenditure of
13 the state's proceeds from the *cy pres* settlement in *State of Washington*
14 *v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204
15 and 213 of this act.

16 (5) \$62,000 of the legal services revolving fund--state
17 appropriation is provided solely to implement House Bill No. 1770
18 (state purchasing). If the bill is not enacted by June 30, 2011, the
19 amount provided in this subsection shall lapse.

20 (6) \$5,924,000 of the legal services revolving account--state
21 appropriation is provided solely to implement House Bill No. 2123
22 (workers' compensation). If the bill is not enacted by June 30, 2011,
23 the amount provided in this subsection shall lapse.

24 (7) The office of the attorney general is authorized to expend
25 \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer
26 protection costs in accordance with uses authorized in the court
27 orders.

28 (8) \$96,000 of the legal services revolving fund--state
29 appropriation is provided solely to implement Senate Bill No. 5076
30 (financial institutions). If the bill is not enacted by June 30, 2011,
31 the amount provided in this subsection shall lapse.

32 (9) \$99,000 of the legal services revolving fund--state
33 appropriation is provided solely to implement Engrossed Second
34 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill
35 is not enacted by June 30, 2011, the amount provided in this subsection
36 shall lapse.

37 (10) \$416,000 of the legal services revolving fund--state

1 appropriation is provided solely to implement Substitute Senate Bill
2 No. 5801 (industrial insurance system). If the bill is not enacted by
3 June 30, 2011, the amount provided in this subsection shall lapse.

4 (11) \$31,000 of the legal services revolving fund--state
5 appropriation is provided solely to implement Engrossed Substitute
6 Senate Bill No. 5021 (election campaign disclosure). If the bill is
7 not enacted by June 30, 2011, the amount provided in this subsection
8 shall lapse.

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

21 (13) \$11,000 of the legal services revolving fund--state
22 appropriation is provided solely to implement House Bill No. 2301
23 (boxing, martial arts, wrestling). If the bill is not enacted by June
24 30, 2012, the amount provided in this subsection shall lapse.

25 (14) \$56,000 of the legal services revolving fund--state
26 appropriation is provided solely to implement House Bill No. 2319
27 (affordable care act). If the bill is not enacted by June 30, 2012,
28 the amount provided in this subsection shall lapse.

29 (15) \$5,743,000 of the general fund--state appropriation for fiscal
30 year 2013 is provided solely for the legal costs associated with the
31 evaluation, filing, prosecution, response to petitions for release, and
32 appeal of sexually violent predator civil commitment cases, as provided
33 in chapter 71.09 RCW. Within the amount provided in this subsection,
34 the attorney general may enter into an interagency agreement with a
35 county prosecutor to perform prosecution services pursuant to chapter
36 71.09 RCW.

37 (16) \$94,000 of the legal services revolving fund--state

1 appropriation is provided solely to implement Senate Bill No. 6103
2 (reflexology and massage therapy). If the bill is not enacted by June
3 30, 2012, the amount provided in this subsection shall lapse.

4 (17) \$57,000 of the legal services revolving fund--state
5 appropriation is provided solely for implementation of Engrossed
6 Substitute Senate Bill No. 6237 (medical assistants). If the bill is
7 not enacted by June 30, 2012, the amount provided in this subsection
8 shall lapse.

9 (18) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)
10 is not enacted by June 30, 2012, the amounts appropriated in this
11 section from the medicaid fraud penalty account--state appropriation
12 shall lapse and an additional \$730,000 shall be appropriated from the
13 general fund--state for fiscal year 2013 for fraud detection and
14 prevention activities, recovery of improper payments, and for other
15 medicaid fraud enforcement activities.

16 (19) \$56,000 of the legal services revolving fund--state
17 appropriation is provided solely to implement House Bill No. 2592
18 (extended foster care). If the bill is not enacted by June 30, 2012,
19 the amount provided in this subsection shall lapse.

20 (20) \$65,000 of the legal services revolving fund--state
21 appropriation is provided solely for implementation of Second Engrossed
22 Substitute Senate Bill No. 6406 (state natural resources). If the bill
23 is not enacted by June 30, 2012, the amount provided in this subsection
24 shall lapse.

25 **Sec. 107.** 2012 2nd sp.s. c 7 s 128 (uncodified) is amended to read
26 as follows:

27 **FOR THE CASELOAD FORECAST COUNCIL**

28	General Fund--State Appropriation (FY 2012)	(\$1,277,000)
29		<u>\$1,275,000</u>
30	General Fund--State Appropriation (FY 2013)	(\$1,180,000)
31		<u>\$1,182,000</u>
32	TOTAL APPROPRIATION	\$2,457,000

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

35 (1) The appropriations in this section include funding for
36 activities transferred from the sentencing guidelines commission to the
37 caseload forecast council pursuant to Engrossed Substitute Senate Bill

1 No. 5891 (criminal justice cost savings). Prior to the effective date
2 of Engrossed Substitute Senate Bill No. 5891, the appropriations in
3 this section may be expended for the continued operations and expenses
4 of the sentencing guidelines commission pursuant to the expenditure
5 authority schedule produced by the office of financial management in
6 accordance with chapter 43.88 RCW.

7 (2) \$57,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$57,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for the implementation of Senate
10 Bill No. 5304 (college bound scholarship).

11 **Sec. 108.** 2012 2nd sp.s. c 7 s 129 (uncodified) is amended to read
12 as follows:

13 **FOR THE DEPARTMENT OF COMMERCE**

14	General Fund--State Appropriation (FY 2012)	\$51,799,000
15	General Fund--State Appropriation (FY 2013)	((\$72,839,000))
16		<u>\$62,889,000</u>
17	General Fund--Federal Appropriation	\$340,184,000
18	General Fund--Private/Local Appropriation	\$5,036,000
19	Public Works Assistance Account--State	
20	Appropriation	\$2,733,000
21	Drinking Water Assistance Administrative	
22	Account--State Appropriation	\$437,000
23	Lead Paint Account--State Appropriation	((\$65,000))
24		<u>\$101,000</u>
25	Building Code Council Account--State Appropriation	\$13,000
26	Home Security Fund Account--State Appropriation	\$21,007,000
27	Affordable Housing for All Account--State	
28	Appropriation	\$11,899,000
29	County Research Services Account--State	
30	Appropriation	\$540,000
31	Financial Fraud and Identity Theft Crimes Investigation	
32	and Prosecution Account--State Appropriation	((\$1,166,000))
33		<u>\$969,000</u>
34	Low-Income Weatherization Assistance Account--State	
35	Appropriation	((\$2,427,000))
36		<u>\$1,186,000</u>
37	City and Town Research Services Account--State	

1	Appropriation	\$2,577,000
2	Community and Economic Development Fee Account--State	
3	Appropriation	\$6,781,000
4	Washington Housing Trust Account--State	
5	Appropriation	\$17,444,000
6	Prostitution Prevention and Intervention Account--	
7	State Appropriation	\$86,000
8	Public Facility Construction Loan Revolving	
9	Account--State Appropriation	\$748,000
10	Washington Community Technology Opportunity Account--	
11	State Appropriation	\$713,000
12	Liquor Revolving Account--State Appropriation	(\$2,802,000)
13		<u>\$3,032,000</u>
14	TOTAL APPROPRIATION	(\$541,296,000)
15		<u>\$530,174,000</u>

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

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

25 (2) \$500,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$500,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for a grant to resolution
28 Washington to building statewide capacity for alternative dispute
29 resolution centers and dispute resolution programs that guarantee that
30 citizens have access to low-cost resolution as an alternative to
31 litigation.

32 (3) \$306,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$306,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for a grant to the retired senior
35 volunteer program.

36 (4) The department shall administer its growth management act

1 technical assistance so that smaller cities receive proportionately
2 more assistance than larger cities or counties.

3 (5) \$1,800,000 of the home security fund--state appropriation is
4 provided for transitional housing assistance or partial payments for
5 rental assistance under the independent youth housing program.

6 (6) \$5,000,000 of the home security fund--state appropriation is
7 for the operation, repair, and staffing of shelters in the homeless
8 family shelter program.

9 (7) \$198,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$198,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for the Washington new Americans
12 program.

13 (8) \$2,949,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$2,949,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for associate development
16 organizations.

17 (9) \$127,000 of the general fund--federal appropriation is provided
18 solely for implementation of Substitute House Bill No. 1886
19 (Ruckelshaus center process). If the bill is not enacted by June 30,
20 2011, the amount provided in this subsection shall lapse.

21 (10) Up to \$200,000 of the general fund--private/local
22 appropriation is for a grant to the Washington tourism alliance for the
23 maintenance of the Washington state tourism web site
24 www.experiencewa.com and its related sub-sites. The department may
25 transfer ownership of the web site and other tourism promotion assets
26 and assign obligations to the Washington tourism alliance for purposes
27 of tourism promotion throughout the state. The alliance may use the
28 assets only in a manner consistent with the purposes for which they
29 were created. Any revenue generated from these assets must be used by
30 the alliance for the sole purposes of statewide Washington tourism
31 promotion. The legislature finds that the Washington tourism alliance,
32 a not-for-profit, 501.c.6 organization established, funded, and
33 governed by Washington tourism industry stakeholders to sustain
34 destination tourism marketing across Washington, is an appropriate body
35 to receive funding and assets from and assume obligations of the
36 department for the purposes described in this section.

37 (11) Within the appropriations in this section, specific funding is

1 provided to implement Substitute Senate Bill No. 5741 (economic
2 development commission).

3 (12) \$2,000,000 of the community and economic development fee
4 account appropriation is provided solely for the department of commerce
5 for services to homeless families through the Washington families fund.

6 (13) \$234,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$233,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for the Washington asset building
9 coalitions.

10 (14) \$1,859,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$1,859,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for innovative research teams,
13 also known as entrepreneurial STARS, at higher education research
14 institutions, and for entrepreneurs-in-residence programs at higher
15 education research institutions and entrepreneurial assistance
16 organizations. Of these amounts no more than \$50,000 in fiscal year
17 2012 and no more than \$50,000 in fiscal year 2013 may be provided for
18 the operation of entrepreneurs-in-residence programs at entrepreneurial
19 assistance organizations external to higher education research
20 institutions.

21 (15) Up to \$700,000 of the general fund--private/local
22 appropriation is for pass-through grants to cities in central Puget
23 Sound to plan for transfer of development rights receiving areas under
24 the central Puget Sound regional transfer of development rights
25 program.

26 (16) \$16,000 of the general fund--state appropriation for fiscal
27 year 2012 is provided solely to implement section 503 of Substitute
28 House Bill No. 1277 (licensed settings for vulnerable adults). The
29 long-term care ombudsman shall convene an adult family home quality
30 assurance panel to review problems concerning the quality of care for
31 residents in adult family homes. If Substitute House Bill No. 1277
32 (licensed settings for vulnerable adults) is not enacted by June 30,
33 2011, the amount provided in this subsection shall lapse.

34 (17) \$19,605,000 of the general fund--state appropriation for
35 fiscal year 2012 and \$39,527,000 of the general fund--state
36 appropriation for fiscal year 2013 are provided solely for
37 establishment of the essential needs and housing support program
38 created in Engrossed Substitute House Bill No. 2082 (essential needs

1 and assistance program). The department of commerce shall contract for
2 these services with counties or community-based organizations involved
3 in providing essential needs and housing supports to low-income persons
4 who meet eligibility pursuant to Engrossed Substitute House Bill No.
5 2082. The department shall limit the funding used for administration
6 of the program to no more than five percent. Counties and community
7 providers shall limit the funding used for administration of the
8 program to no more than seven percent.

9 (a) Of the amounts provided in this subsection, \$4,000,000 is
10 provided solely for essential needs to clients who meet the eligibility
11 established in Engrossed Substitute House Bill No. 2082. Counties and
12 community-based organizations shall distribute basic essential products
13 in a manner that prevents abuse. To the greatest extent possible, the
14 counties or community-based organizations shall leverage local or
15 private funds, and volunteer support to acquire and distribute the
16 basic essential products.

17 (b) Of the amounts provided in this subsection, \$55,000,000 is
18 provided solely for housing support services to individuals who are
19 homeless or who may become homeless, and are eligible for services
20 under this program pursuant to Engrossed Substitute House Bill No.
21 2082.

22 (18) \$4,380,000 of the home security fund--state appropriation is
23 provided solely for the department to provide homeless housing services
24 in accordance with Engrossed Substitute House Bill No. 2048 (housing
25 assistance surcharges). If Engrossed Substitute House Bill No. 2048
26 (housing assistance surcharges) is not enacted by June 30, 2012, the
27 amounts provided in this subsection shall lapse.

28 (19) \$85,000 of the general fund--state appropriation for fiscal
29 year 2013 is provided solely for the developmental disabilities council
30 to contract for a family-to-family mentor program to provide
31 information and support to families and guardians of persons who are
32 transitioning out of residential habilitation centers. To the maximum
33 extent allowable under federal law, these funds shall be matched under
34 medicaid through the department of social and health services and
35 federal funds shall be transferred to the department for the purposes
36 stated in this subsection.

37 (20) \$2,802,000 of the liquor revolving account--state

1 appropriation is provided solely for the department to contract with
2 the municipal research and services center of Washington.

3 (21) \$1,000,000 of the general fund--state appropriation for fiscal
4 year 2013 is provided solely for deposit in the shelter to housing
5 project account, hereby created in the custody of the state treasurer
6 as a nonappropriated account. The department may expend funds from the
7 account solely for a two-year pilot project to enable young adults to
8 move from temporary emergency shelter housing to transitional and
9 permanent housing throughout King county. The pilot project will be
10 administered under contract with the YMCA of greater Seattle in
11 collaboration with the rising out of the shadows young adult shelter.
12 Funding may be used for case management, housing subsidy,
13 transportation, shelter services, training and evaluation. The pilot
14 project and the shelter to housing project account expire December 31,
15 2014.

16 (22) \$12,000 of the general fund--state appropriation for fiscal
17 year 2013 is provided solely to implement Engrossed Second Substitute
18 Senate Bill No. 5292 (irrigation and port districts). If the bill is
19 not enacted by June 30, 2012, the amount provided in this subsection
20 shall lapse.

21 (23) \$100,000 of the general fund--private/local appropriation is
22 provided solely for the department to provide analysis and an advisory
23 opinion on whether a proposed electric generation project or
24 conservation resource qualifies to meet mandatory conservation targets
25 in accordance with Substitute Senate Bill No. 6414 (review
26 process/utilities). The department is authorized to require an
27 applicant to pay an application fee to cover the cost of reviewing the
28 project and preparing an advisory opinion. If Substitute Senate Bill
29 No. 6414 (review process/utilities) is not enacted by June 30, 2012,
30 the amount provided in this subsection shall lapse.

31 **Sec. 109.** 2012 2nd sp.s. c 7 s 131 (uncodified) is amended to read
32 as follows:

33 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

34	General Fund--State Appropriation (FY 2012)	\$18,369,000
35	General Fund--State Appropriation (FY 2013)	(\$18,584,000)
36		<u>\$18,678,000</u>
37	General Fund--Federal Appropriation	\$31,530,000

1	General Fund--Private/Local Appropriation	\$1,370,000
2	Performance Audits of Government Account--State	
3	Appropriation	\$198,000
4	Economic Development Strategic Reserve Account--State	
5	Appropriation	\$280,000
6	Department of Personnel Services--State	
7	Appropriation	\$8,551,000
8	Data Processing Revolving Account--State	
9	Appropriation	\$5,910,000
10	Higher Education Personnel Services Account--State	
11	Appropriation	\$1,537,000
12	Aquatic Lands Enhancement Account--State Appropriation	\$100,000
13	TOTAL APPROPRIATION	(\$86,429,000)
14		<u>\$86,523,000</u>

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

17 (1) \$1,210,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$1,210,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for implementation of House Bill
20 No. 1178 (regulatory assistance office). If the bill is not enacted by
21 June 30, 2011, the amounts provided in this subsection shall lapse.

22 (2) \$150,000 of the general fund--state appropriation for fiscal
23 year 2012 is provided solely for the office of financial management to
24 contract with an independent consultant to evaluate and recommend the
25 most cost-effective provision of services required to support the
26 department of social and health services special commitment center on
27 McNeil Island. The evaluation shall include island operation services
28 that include, but are not limited to: (a) Marine transport of
29 passengers and goods; (b) wastewater treatment; (c) fire protection and
30 suppression; (d) electrical supply; (e) water supply; and (f) road
31 maintenance.

32 The office of financial management shall solicit the input of
33 Pierce county, the department of corrections, and the department of
34 social and health services in developing the request for proposal,
35 evaluating applications, and directing the evaluation. The consultant
36 shall report to the governor and legislature by November 15, 2011.

37 (3) \$100,000 of the aquatic lands enhancement account--state
38 appropriation is provided solely for the office of financial management

1 to prepare a report to be used to initiate a comprehensive, long-range
2 planning process for the future of McNeil Island during the 2013-2015
3 fiscal biennium.

4 (a) The report on the initiation of the process must document:

5 (i) Ownership issues, including consultation with the federal
6 government about its current legal requirements associated with the
7 island;

8 (ii) Federal and state decision-making processes to change use or
9 ownership;

10 (iii) Tribal treaty interests;

11 (iv) Fish and wildlife species and their habitats;

12 (v) Land use and public safety needs;

13 (vi) Recreational opportunities for the general public;

14 (vii) Historic and archaeological resources; and

15 (viii) Revenue from and necessary to support potential future uses
16 of the island.

17 (b) The report shall develop and recommend a comprehensive, long-
18 range planning process for the future of the island and associated
19 aquatic resources, addressing the items in (a) of this subsection.

20 (c) The office of financial management may use its own staff and
21 other public agency and tribal staff or contract for services, and may
22 create a work group of knowledgeable agencies, organizations, and
23 individuals to assist in preparing the report.

24 (d) The office of financial management shall engage in broad
25 consultation with interested parties, including, but not limited to:

26 (i) Federal agencies with relevant responsibilities;

27 (ii) Tribal governments;

28 (iii) State agencies;

29 (iv) Local governments and communities in the area, including the
30 Anderson Island community, Steilacoom, and Pierce county; and

31 (v) Interested private organizations and individuals.

32 (e) The report must be submitted to the governor and appropriate
33 committees of the legislature by October 1, 2012.

34 (4) The appropriations in this section include funding for
35 activities transferred from the sentencing guidelines commission to the
36 office of financial management pursuant to Engrossed Substitute Senate
37 Bill No. 5891 (criminal justice cost savings). Prior to the effective
38 date of Engrossed Substitute Senate Bill No. 5891, the appropriations

1 in this section may be expended for the continued operations and
2 expenses of the sentencing guidelines commission pursuant to the
3 expenditure authority schedule produced by the office of financial
4 management in accordance with chapter 43.88 RCW.

5 ~~((+6))~~ (5) \$115,000 of the general fund--state appropriation for
6 fiscal year 2013 is provided solely for implementation of Engrossed
7 Substitute House Bill No. 2483 (higher education coordination). If the
8 bill is not enacted by June 30, 2012, the amount provided in this
9 subsection shall lapse.

10 ~~((+7))~~ (6)(a) The office of financial management shall determine
11 if cost savings can be achieved by the state through contracting for
12 interpreter services more effectively. The office of financial
13 management must work with all state agencies that use interpreter
14 services to determine:

15 (i) How agencies currently procure interpreter services;

16 (ii) To what degree brokers or foreign language agencies are used
17 in the acquisition of interpreter services; and

18 (iii) The cost of interpreter services as currently provided.

19 (b) The office of financial management, in consultation with the
20 department of enterprise services, must also examine approaches to
21 procuring interpreter services, including using the department of
22 enterprise services' master contract, limiting overhead costs
23 associated with interpreter contracts, and direct scheduling of
24 interpreters. The report must include recommendations for the state to
25 procure services in a more consistent and cost-effective manner.

26 (c) The office of financial management, in consultation with the
27 department of labor and industries, must determine the impact that any
28 alternative approach to procuring interpreter services will have on
29 medical providers.

30 (d) The report must include:

31 (i) Analysis of the current process for procuring interpreter
32 services;

33 (ii) Recommendations regarding options to make obtaining
34 interpreter services more consistent and cost-effective; and

35 (iii) Estimates for potential cost savings.

36 (e) The office of financial management must report to the fiscal
37 committees of the legislature by December 1, 2012.

1 ((+8)) (7) \$25,000 of the general fund--state appropriation for
2 fiscal year 2012 and \$225,000 of the general fund--state appropriation
3 for fiscal year 2013 are provided solely for implementation of House
4 Bill No. 2824 (education funding). If the bill is not enacted by June
5 30, 2012, the amount provided in this subsection shall lapse.

6 **Sec. 110.** 2012 2nd sp.s. c 7 s 136 (uncodified) is amended to read
7 as follows:

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

9 Department of Retirement Systems Expense

10 Account--State Appropriation (~~(\$46,511,000)~~)
11 \$46,591,000

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

14 (1) \$146,000 of the department of retirement systems--state
15 appropriation is provided solely for the administrative costs
16 associated with implementation of House Bill No. 2070 (state and local
17 government employees). If the bill is not enacted by June 30, 2011,
18 the amount provided in this subsection shall lapse.

19 (2) \$65,000 of the department of retirement systems--state
20 appropriation is provided solely for the administrative costs
21 associated with implementation of House Bill No. 1625 (plan 3 default
22 investment option). If the bill is not enacted by June 30, 2011, the
23 amount provided in this subsection shall lapse.

24 (3) \$133,000 of the department of retirement systems--state
25 appropriation is provided solely for the administrative costs
26 associated with implementation of Engrossed House Bill No. 1981 as
27 amended (post-retirement employment). If the bill is not enacted by
28 June 30, 2011, the amount provided in this subsection shall lapse.

29 (4) \$15,000 of the department of retirement systems expense
30 account--state appropriation is provided solely for the administrative
31 costs associated with implementation of Substitute House Bill No. 2021
32 (plan 1 annual increase amounts). If the bill is not enacted by June
33 30, 2011, the amount provided in this section shall lapse.

34 (5) \$32,000 of the department of retirement systems--state
35 appropriation is provided solely for the administrative costs
36 associated with implementation of Engrossed Senate Bill No. 5159 (state

1 patrol retirement system service credit). If the bill is not enacted
2 by June 30, 2012, the amount provided in this subsection shall lapse.

3 **Sec. 111.** 2012 2nd sp.s. c 7 s 137 (uncodified) is amended to read
4 as follows:

5 **FOR THE DEPARTMENT OF REVENUE**

6	General Fund--State Appropriation (FY 2012)	\$100,691,000
7	General Fund--State Appropriation (FY 2013)	(\$99,207,000)
8		<u>\$99,268,000</u>
9	Timber Tax Distribution Account--State Appropriation	\$5,900,000
10	Waste Reduction/Recycling/Litter Control--State	
11	Appropriation	\$129,000
12	Waste Tire Removal Account--State Appropriation	\$2,000
13	State Toxics Control Account--State Appropriation	\$87,000
14	Oil Spill Prevention Account--State Appropriation	\$19,000
15	Master License Fund--State Appropriation	\$13,922,000
16	Vehicle License Fraud Account--State Appropriation	\$5,000
17	Performance Audits of Government Account--State	
18	Appropriation	\$3,188,000
19	TOTAL APPROPRIATION	(\$223,150,000)
20		<u>\$223,211,000</u>

21 **Sec. 112.** 2012 2nd sp.s. c 7 s 139 (uncodified) is amended to read
22 as follows:

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

24	OMWBE Enterprises Account--State Appropriation	(\$3,654,000)
25		<u>\$3,754,000</u>

26 **Sec. 113.** 2012 2nd sp.s. c 7 s 142 (uncodified) is amended to read
27 as follows:

28 **FOR THE LIQUOR CONTROL BOARD**

29	Liquor Control Board Construction and Maintenance	
30	Account--State Appropriation	\$3,063,000
31	Liquor Revolving Account--State Appropriation	\$171,838,000
32	General Fund--Federal Appropriation	\$945,000
33	General Fund--Private/Local Appropriation	\$25,000
34	TOTAL APPROPRIATION	\$175,871,000

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

3 (1) The legislature intends to facilitate the orderly transition of
4 liquor services as required by Initiative Measure No. 1183. For liquor
5 control board employees that remain through June 15, 2012, a temporary
6 opportunity to cash out sick leave is provided to assist the unique
7 challenges to the liquor control board and its employees posed by this
8 transition.

9 (2) Within the amounts appropriated in this section from the liquor
10 revolving account--state appropriation, liquor control board employees
11 who: (a) Occupy positions in the job classifications provided in
12 subsection (3)(c) of this section that will be eliminated after the
13 liquor control board ceases to distribute liquor; and (b) remain as
14 liquor control board employees through June 15, 2012, and who separate
15 from service due to lay off by October 1, 2012, may elect to receive
16 remuneration for their entire sick leave balance at a rate equal to one
17 day's current monetary compensation of the employee for each four full
18 days of accrued sick leave.

19 (3) The following conditions apply to sick leave cash out under
20 this subsection:

21 (a) The rate of monetary compensation for the purposes of this
22 subsection shall not be reduced by any temporary salary reduction;

23 (b) Remuneration or benefits received under this subsection shall
24 not be included for the purpose of computing a retirement allowance
25 under any public retirement system in this state;

26 (c) The following job classifications are eligible:

27 (i) Liquor store clerk;

28 (ii) Retail assistant store manager 1;

29 (iii) Retail assistant store manager 2;

30 (iv) Retail store manager 3;

31 (v) Retail store manager 4;

32 (vi) Retail district manager;

33 (vii) Retail operations manager;

34 (viii) Director of retail services;

35 (ix) Director of distribution center;

36 (x) Director of purchasing;

37 (xi) Director of business enterprise;

38 (xii) Warehouse operator 1;

- 1 (xiii) Warehouse operator 2;
- 2 (xiv) Warehouse operator 3; and
- 3 (xv) Warehouse operator 4; and

4 (d) Should the legislature revoke any remuneration or benefits
 5 granted under this section, an affected employee shall not be entitled
 6 thereafter to receive such benefits as a matter of contractual right.

7 (4) Within the amounts appropriated in this section from the liquor
 8 revolving account--state appropriation for fiscal year 2013, up to
 9 \$946,000 may be used by the liquor control board to implement
 10 Initiative Measure No. 502.

11 **Sec. 114.** 2012 2nd sp.s. c 7 s 143 (uncodified) is amended to read
 12 as follows:

13 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

14	General Fund--Federal Appropriation	\$502,000
15	General Fund--Private/Local Appropriation	\$11,166,000
16	Public Service Revolving Account--State	
17	Appropriation	((\$30,872,000))
18		<u>\$30,928,000</u>
19	Pipeline Safety Account--State Appropriation	((\$3,183,000))
20		<u>\$3,186,000</u>
21	Pipeline Safety Account--Federal Appropriation	\$2,844,000
22	TOTAL APPROPRIATION	((\$48,567,000))
23		<u>\$48,626,000</u>

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

26 (1) In accordance with RCW 80.36.610(1), the utilities and
 27 transportation commission is authorized to establish federal
 28 telecommunications act services fees in fiscal year 2012 as necessary
 29 to meet the actual costs of conducting business and the appropriation
 30 levels in this section.

31 (2) \$15,000 of the pipeline safety account--state appropriation is
 32 provided solely for the implementation of Engrossed Second Substitute
 33 House Bill No. 1634 (underground utilities).

34 (3) \$182,000 of the public service revolving account--state
 35 appropriation is provided solely for the implementation of Engrossed
 36 Second Substitute Senate Bill No. 5769 (coal-fired generation).

1 (4) \$169,000 of the public service revolving account--state
2 appropriation is provided solely for the implementation of Second
3 Substitute Senate Bill No. 5034 (private infrastructure).

4 **Sec. 115.** 2012 2nd sp.s. c 7 s 144 (uncodified) is amended to read
5 as follows:

6 **FOR THE MILITARY DEPARTMENT**

7	General Fund--State Appropriation (FY 2012)	\$7,116,000
8	General Fund--State Appropriation (FY 2013)	(\$6,872,000)
9		<u>\$6,938,000</u>
10	General Fund--Federal Appropriation	(\$159,075,000)
11		<u>\$159,114,000</u>
12	Enhanced 911 Account--State Appropriation	\$48,620,000
13	Disaster Response Account--State Appropriation	\$23,119,000
14	Disaster Response Account--Federal Appropriation	\$91,368,000
15	Military Department Rent and Lease Account--State	
16	Appropriation	\$615,000
17	Worker and Community Right-to-Know Account--State	
18	Appropriation	\$2,163,000
19	TOTAL APPROPRIATION	(\$338,948,000)
20		<u>\$339,053,000</u>

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

23 (1) \$18,018,000 of the disaster response account--state
24 appropriation and \$66,266,000 of the disaster response account--federal
25 appropriation may be spent only on disasters declared by the governor
26 and with the approval of the office of financial management. The
27 military department shall submit a report to the office of financial
28 management and the legislative fiscal committees on October 1st and
29 February 1st of each year detailing information on the disaster
30 response account, including: (a) The amount and type of deposits into
31 the account; (b) the current available fund balance as of the reporting
32 date; and (c) the projected fund balance at the end of the 2011-2013
33 biennium based on current revenue and expenditure patterns.

34 (2) \$75,000,000 of the general fund--federal appropriation is
35 provided solely for homeland security, subject to the following
36 conditions:

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

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

(End of part)

PART II
HUMAN SERVICES

Sec. 201. 2012 2nd sp.s. c 7 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

1 department may combine and transfer such medicaid funds appropriated
2 under sections 204, 206, 208, and 213 of this act as may be necessary
3 to finance a unified health care plan for the WMIP and the MICP program
4 enrollment. The WMIP pilot projects shall not exceed a daily
5 enrollment of 6,000 persons, nor expand beyond one county during the
6 2011-2013 fiscal biennium. The amount of funding assigned from each
7 program may not exceed the average per capita cost assumed in this act
8 for individuals covered by that program, actuarially adjusted for the
9 health condition of persons enrolled, times the number of clients
10 enrolled. In implementing the WMIP and the MICP, the health care
11 authority and the department may: (i) Withhold from calculations of
12 "available resources" as set forth in RCW 71.24.025 a sum equal to the
13 capitated rate for enrolled individuals; and (ii) employ capitation
14 financing and risk-sharing arrangements in collaboration with health
15 care service contractors licensed by the office of the insurance
16 commissioner and qualified to participate in both the medicaid and
17 medicare programs. The health care authority and the department shall
18 conduct an evaluation of the WMIP by October 15, 2012, and of the MICP
19 measuring changes in participant health outcomes, changes in patterns
20 of service utilization, participant satisfaction, participant access to
21 services, and the state fiscal impact.

22 (b) (~~Effective January 1, 2013,~~) If Washington has been selected
23 to participate in (~~phase two~~) a financial capitation model of the
24 federal demonstration project for persons dually-eligible for both
25 medicare and medicaid, the department and the authority may initiate
26 the MICP. Participation in the project shall be limited to persons who
27 are eligible for both medicare and medicaid and to counties in which
28 the county legislative authority has agreed to the terms and conditions
29 under which it will operate. The purpose of the project shall be to
30 demonstrate and evaluate ways to improve care while reducing state
31 expenditures for persons enrolled both in medicare and medicaid. To
32 that end, prior to initiating the project, the department and the
33 authority shall assure that state expenditures shall be no greater on
34 either a per person or total basis than the state would otherwise
35 incur. Individuals who are solely eligible for medicaid may also
36 participate if their participation is agreed to by the health care
37 authority, the department, and the county legislative authority.

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

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

22 (6)(a) The appropriations to the department of social and health
23 services in this act shall be expended for the programs and in the
24 amounts specified in this act. However, after May 1, (~~(2012)~~) 2013,
25 unless specifically prohibited by this act, the department may transfer
26 general fund--state appropriations for fiscal year (~~(2012)~~) 2013 among
27 programs after approval by the director of financial management.
28 However, the department shall not transfer state moneys that are
29 provided solely for a specified purpose except as expressly provided in
30 (b) of this subsection.

31 (b) To the extent that transfers under (a) of this subsection are
32 insufficient to fund actual expenditures in excess of fiscal year
33 (~~(2012)~~) 2013 caseload forecasts and utilization assumptions in the
34 long-term care, foster care, adoptions support, medicaid personal care,
35 and child support programs, the department may transfer state moneys
36 that are provided solely for a specified purpose. The department shall
37 not transfer funds, and the director of financial management shall not
38 approve the transfer, unless the transfer is consistent with the

1 objective of conserving, to the maximum extent possible, the
2 expenditure of state funds. The director of financial management shall
3 notify the appropriate fiscal committees of the senate and house of
4 representatives in writing seven days prior to approving any allotment
5 modifications or transfers under this subsection. The written
6 notification shall include a narrative explanation and justification of
7 the changes, along with expenditures and allotments by budget unit and
8 appropriation, both before and after any allotment modifications or
9 transfers.

10 **Sec. 202.** 2012 2nd sp.s. c 7 s 202 (uncodified) is amended to read
11 as follows:

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

14	General Fund--State Appropriation (FY 2012)	\$287,014,000
15	General Fund--State Appropriation (FY 2013)	(\$285,018,000)
16		<u>\$280,999,000</u>
17	General Fund--Federal Appropriation	(\$479,315,000)
18		<u>\$476,350,000</u>
19	General Fund--Private/Local Appropriation	(\$1,354,000)
20		<u>\$1,804,000</u>
21	Home Security Fund--State Appropriation	\$10,741,000
22	Domestic Violence Prevention Account--State	
23	Appropriation	\$1,240,000
24	Education Legacy Trust Account--State Appropriation	\$725,000
25	TOTAL APPROPRIATION	(\$1,065,407,000)
26		<u>\$1,058,873,000</u>

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

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

34 (2) \$668,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$668,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely to contract for the operation of
37 one pediatric interim care center. The center shall provide

1 residential care for up to thirteen children through two years of age.
2 Seventy-five percent of the children served by the center must be in
3 need of special care as a result of substance abuse by their mothers.
4 The center shall also provide on-site training to biological, adoptive,
5 or foster parents. The center shall provide at least three months of
6 consultation and support to the parents accepting placement of children
7 from the center. The center may recruit new and current foster and
8 adoptive parents for infants served by the center. The department
9 shall not require case management as a condition of the contract. The
10 department shall collaborate with the pediatric interim care center to
11 determine if and how the center could be appropriately incorporated
12 into the performance-based contract model and report its findings to
13 the legislature by December 1, 2012.

14 (3)(a) \$80,887,000 of the general fund--state appropriation for
15 fiscal year 2012, (~~(\$81,067,000)~~) \$80,981,000 of the general fund--
16 state appropriation for fiscal year 2013, and (~~(\$74,800,000)~~)
17 \$74,733,000 of the general fund--federal appropriation are provided
18 solely for services for children and families. The amounts provided in
19 this section shall be allotted on a monthly basis and expenditures
20 shall not exceed allotments based on a three month rolling average
21 without approval of the office of financial management following
22 notification to the legislative fiscal committees.

23 (b) The department shall use these services to safely reduce the
24 number of children in out-of-home care, safely reduce the time spent in
25 out-of-home care prior to achieving permanency, and safely reduce the
26 number of children returning to out-of-home care following permanency.
27 The department shall provide an initial report to the legislature and
28 the governor by January 15, 2012, regarding the start-up costs
29 associated with performance-based contracts under RCW 74.13.360 .

30 (c) Of the amounts provided in (a) of this subsection, \$579,000 of
31 the general fund--state appropriation for fiscal year 2013 and \$109,000
32 of the general fund--federal appropriation are provided solely for a
33 receiving care center east of the Cascade mountains.

34 (4) \$176,000 of the general fund--state appropriation for fiscal
35 year 2012, \$177,000 of the general fund--state appropriation for fiscal
36 year 2013, \$656,000 of the general fund--private/local appropriation,
37 \$253,000 of the general fund--federal appropriation, and \$725,000 of
38 the education legacy trust account--state appropriation are provided

1 solely for children's administration to contract with an educational
2 advocacy provider with expertise in foster care educational outreach.
3 The amounts in this subsection are provided solely for contracted
4 education coordinators to assist foster children in succeeding in K-12
5 and higher education systems and to assure a focus on education during
6 the transition to performance based contracts. Funding shall be
7 prioritized to regions with high numbers of foster care youth and/or
8 regions where backlogs of youth that have formerly requested
9 educational outreach services exist. The department shall utilize
10 private matching funds to maintain educational advocacy services.

11 (5) \$670,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$670,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for services provided through
14 children's advocacy centers.

15 (6) To ensure expenditures remain within available funds
16 appropriated in this section as required by RCW 74.13A.005 and
17 74.13A.020, the secretary shall not set the amount of any adoption
18 assistance payment or payments, made pursuant to RCW 26.33.320 and
19 74.13A.005 through 74.13A.080, to more than ninety percent of the
20 foster care maintenance payment for that child had he or she remained
21 in a foster family home during the same period. This subsection does
22 not apply to adoption assistance agreements in existence on the
23 effective date of this section.

24 (7) \$10,741,000 of the home security fund--state appropriation is
25 provided solely for the department to contract for services pursuant to
26 RCW 13.32A.030 and 74.15.220. The department shall contract and
27 collaborate with service providers in a manner that maintains the
28 availability and geographic representation of secure and semi-secure
29 crisis residential centers and HOPE centers. To achieve efficiencies
30 and increase utilization, the department shall allow the co-location of
31 these centers, except that a youth may not be placed in a secure
32 facility or the secure portion of a co-located facility except as
33 specifically authorized by chapter 13.32A RCW. The reductions to
34 appropriations in this subsection related to semi-secure crisis
35 residential centers reflect a reduction to the number of beds for semi-
36 secure crisis residential centers and not a reduction in rates. Any
37 secure crisis residential center or semi-secure crisis residential
38 center bed reduction shall not be based solely upon bed utilization.

1 The department is to exercise its discretion in reducing the number of
2 beds but to do so in a manner that maintains availability and
3 geographic representation of semi-secure and secure crisis residential
4 centers.

5 (8) \$47,000 of the general fund--state appropriation for fiscal
6 year 2012, \$14,000 of the general fund--state appropriation for fiscal
7 year 2013, and \$40,000 of the general fund--federal appropriation are
8 provided solely to implement Substitute House Bill No. 1697 (dependency
9 system). If the bill is not enacted by June 30, 2011, the amounts
10 provided in this subsection shall lapse.

11 (9) \$564,000 of the general fund--federal appropriation is provided
12 solely to implement Second Substitute House Bill No. 1128 (extended
13 foster care). If the bill is not enacted by June 30, 2011, the amount
14 provided in this subsection shall lapse.

15 (10) \$799,000 of the general fund--state appropriation for fiscal
16 year 2013 and \$799,000 of the general fund--federal appropriation are
17 provided solely for the implementation of Engrossed Second Substitute
18 House Bill No. 2264 (child welfare/contracting). If the bill is not
19 enacted by June 30, 2012, the amounts provided in this subsection shall
20 lapse.

21 (11) \$178,000 of the general fund--federal appropriation is
22 provided solely for the implementation of Engrossed Second Substitute
23 House Bill No. 2592 (extended foster care). If the bill is not enacted
24 by June 30, 2012, the amount provided in this subsection shall lapse.

25 (12) \$616,000 of the general fund--state appropriation for fiscal
26 year 2013 and \$616,000 of the general fund--federal appropriation are
27 provided solely for the implementation of Engrossed Substitute Senate
28 Bill No. 6555 (child protective services). If the bill is not enacted
29 by June 30, 2012, the amounts provided in this subsection shall lapse.

30 (13) \$57,000 of the general fund--state appropriation for fiscal
31 year 2013 and \$53,000 of the general fund--federal appropriation are
32 provided solely for staffing costs associated with implementation of
33 Engrossed Second Substitute House Bill No. 2536 (children
34 services/delivery). The amounts provided in this subsection must be
35 used for coordinated evidence-based practice implementation amongst the
36 department's programs providing mental health, child welfare, and
37 juvenile justice services to children.

1 fiscal year 2013 are provided solely to implement community juvenile
2 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
3 code revisions). Funds provided in this subsection may be used solely
4 for community juvenile accountability grants, administration of the
5 grants, and evaluations of programs funded by the grants.

6 (4) \$1,130,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$1,130,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely to implement alcohol and substance
9 abuse treatment programs for locally committed offenders. The juvenile
10 rehabilitation administration shall award these moneys on a competitive
11 basis to counties that submitted a plan for the provision of services
12 approved by the division of alcohol and substance abuse. The juvenile
13 rehabilitation administration shall develop criteria for evaluation of
14 plans submitted and a timeline for awarding funding and shall assist
15 counties in creating and submitting plans for evaluation.

16 (5) \$3,123,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$3,123,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely for grants to county juvenile
19 courts for the following programs identified by the Washington state
20 institute for public policy (institute) in its October 2006 report:
21 "Evidence-Based Public Policy Options to Reduce Future Prison
22 Construction, Criminal Justice Costs and Crime Rates": Functional
23 family therapy, multi-systemic therapy, aggression replacement training
24 and interagency coordination programs, or other programs with a
25 positive benefit-cost finding in the institute's report. County
26 juvenile courts shall apply to the juvenile rehabilitation
27 administration for funding for program-specific participation and the
28 administration shall provide grants to the courts consistent with the
29 per-participant treatment costs identified by the institute.

30 (6) \$1,537,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$1,537,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for expansion of the following
33 treatments and therapies in juvenile rehabilitation administration
34 programs identified by the Washington state institute for public policy
35 in its October 2006 report: "Evidence-Based Public Policy Options to
36 Reduce Future Prison Construction, Criminal Justice Costs and Crime
37 Rates": Multidimensional treatment foster care, family integrated
38 transitions, and aggression replacement training, or other programs

1 with a positive benefit-cost finding in the institute's report. The
2 administration may concentrate delivery of these treatments and
3 therapies at a limited number of programs to deliver the treatments in
4 a cost-effective manner.

5 (7)(a) The juvenile rehabilitation administration shall administer
6 a block grant, rather than categorical funding, of consolidated
7 juvenile service funds, community juvenile accountability act grants,
8 the chemical dependency disposition alternative funds, the mental
9 health disposition alternative, and the sentencing disposition
10 alternative for the purpose of serving youth adjudicated in the
11 juvenile justice system. In making the block grant, the juvenile
12 rehabilitation administration shall follow the following formula and
13 will prioritize evidence-based programs and disposition alternatives
14 and take into account juvenile courts program-eligible youth in
15 conjunction with the number of youth served in each approved evidence-
16 based program or disposition alternative: (i) Thirty-seven and one-
17 half percent for the at-risk population of youth ten to seventeen years
18 old; (ii) fifteen percent for moderate and high-risk youth; (iii)
19 twenty-five percent for evidence-based program participation; (iv)
20 seventeen and one-half percent for minority populations; (v) three
21 percent for the chemical dependency disposition alternative; and (vi)
22 two percent for the mental health and sentencing dispositional
23 alternatives. Funding for the special sex offender disposition
24 alternative (SSODA) shall not be included in the block grant, but
25 allocated on the average daily population in juvenile courts. Funding
26 for the evidence-based expansion grants shall be excluded from the
27 block grant formula. Funds may be used for promising practices when
28 approved by the juvenile rehabilitation administration and juvenile
29 courts, through the community juvenile accountability act committee,
30 based on the criteria established in consultation with Washington state
31 institute for public policy and the juvenile courts.

32 (b) The juvenile rehabilitation administration shall phase the
33 implementation of the formula provided in subsection (1) of this
34 section by including a stop-loss formula of five percent in fiscal year
35 2012 and five percent in fiscal year 2013.

36 (c) The juvenile rehabilitation administration and the juvenile
37 courts shall establish a block grant funding formula oversight
38 committee with equal representation from the juvenile rehabilitation

1 administration and the juvenile courts. The purpose of this committee
2 is to assess the ongoing implementation of the block grant funding
3 formula, utilizing data-driven decision making and the most current
4 available information. The committee will be cochaired by the juvenile
5 rehabilitation administration and the juvenile courts, who will also
6 have the ability to change members of the committee as needed to
7 achieve its purpose. Initial members will include one juvenile court
8 representative from the finance committee, the community juvenile
9 accountability act committee, the risk assessment quality assurance
10 committee, the executive board of the Washington association of
11 juvenile court administrators, the Washington state center for court
12 research, and a representative of the superior court judges
13 association; two representatives from the juvenile rehabilitation
14 administration headquarters program oversight staff, two
15 representatives of the juvenile rehabilitation administration regional
16 office staff, one representative of the juvenile rehabilitation
17 administration fiscal staff and a juvenile rehabilitation
18 administration division director. The committee may make changes to
19 the formula categories other than the evidence-based program and
20 disposition alternative categories if it is determined the changes will
21 increase statewide service delivery or effectiveness of evidence-based
22 program or disposition alternative resulting in increased cost benefit
23 savings to the state. Long-term cost benefit must be considered.
24 Percentage changes may occur in the evidence-based program or
25 disposition alternative categories of the formula should it be
26 determined the changes will increase evidence-based program or
27 disposition alternative delivery and increase the cost benefit to the
28 state. These outcomes will also be considered in determining when
29 evidence-based expansion or special sex offender disposition
30 alternative funds should be included in the block grant or left
31 separate.

32 (d) The juvenile courts and administrative office of the courts
33 shall be responsible for collecting and distributing information and
34 providing access to the data systems to the juvenile rehabilitation
35 administration and the Washington state institute for public policy
36 related to program and outcome data. The juvenile rehabilitation
37 administration and the juvenile courts will work collaboratively to

1 develop program outcomes that reinforce the greatest cost benefit to
2 the state in the implementation of evidence-based practices and
3 disposition alternatives.

4 (8) The juvenile courts and administrative office of the courts
5 shall collect and distribute information related to program outcome and
6 provide access to these data systems to the juvenile rehabilitation
7 administration and Washington state institute for public policy.
8 Consistent with chapter 13.50 RCW, all confidentiality agreements
9 necessary to implement this information-sharing shall be approved
10 within 30 days of the effective date of this section. The agreements
11 between administrative office of the courts, the juvenile courts, and
12 the juvenile rehabilitation administration shall be executed to ensure
13 that the juvenile rehabilitation administration receives the data that
14 the juvenile rehabilitation administration identifies as needed to
15 comply with this subsection. This includes, but is not limited to,
16 information by program at the statewide aggregate level, individual
17 court level, and individual client level for the purpose of the
18 juvenile rehabilitation administration providing quality assurance and
19 oversight for the locally committed youth block grant and associated
20 funds and at times as specified by the juvenile rehabilitation
21 administration as necessary to carry out these functions. The data
22 shall be provided in a manner that reflects the collaborative work the
23 juvenile rehabilitation administration and juvenile courts have
24 developed regarding program outcomes that reinforce the greatest cost
25 benefit to the state in the implementation of evidence-based practices
26 and disposition alternatives.

27 (9) The Washington association of juvenile court administrators and
28 the juvenile rehabilitation administration, in consultation with the
29 community juvenile accountability act advisory committee and the
30 Washington state institute for public policy, shall analyze and review
31 data elements available from the administrative office of the courts
32 for possible integration into the evidence-based program quality
33 assurance plans and processes. The administrative office of the
34 courts, the Washington association of juvenile court administrators,
35 and the juvenile rehabilitation administration shall provide
36 information necessary to complete the review and analysis. The
37 Washington association of juvenile court administrators and the

1 juvenile rehabilitation administration shall report the findings of
2 their review and analysis, as well as any recommendations, to the
3 legislature by December 1, 2012.

4 **Sec. 204.** 2012 2nd sp.s. c 7 s 204 (uncodified) is amended to read
5 as follows:

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

8 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

9 General Fund--State Appropriation (FY 2012)	\$317,734,000
10 General Fund--State Appropriation (FY 2013)	(\$324,319,000)
11	<u>\$324,986,000</u>
12 General Fund--Federal Appropriation	(\$449,593,000)
13	<u>\$448,911,000</u>
14 General Fund--Private/Local Appropriation	\$17,864,000
15 Hospital Safety Net Assessment Fund--State	
16 Appropriation	\$5,251,000
17 TOTAL APPROPRIATION	(\$1,114,761,000)
18	<u>\$1,114,746,000</u>

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

21 (a) \$109,342,000 of the general fund--state appropriation for
22 fiscal year 2012 and \$109,341,000 of the general fund--state
23 appropriation for fiscal year 2013 are provided solely for persons and
24 services not covered by the medicaid program. This is a reduction of
25 \$4,348,000 each fiscal year from the nonmedicaid funding that was
26 allocated for expenditure by regional support networks during fiscal
27 year 2011 prior to supplemental budget reductions. This \$4,348,000
28 reduction shall be distributed among regional support networks
29 proportional to each network's share of the total state population. To
30 the extent possible, levels of regional support network spending shall
31 be maintained in the following priority order: (i) Crisis and
32 commitment services; (ii) community inpatient services; and (iii)
33 residential care services, including personal care and emergency
34 housing assistance.

35 (b) \$6,590,000 of the general fund--state appropriation for fiscal
36 year 2012, \$6,590,000 of the general fund--state appropriation for
37 fiscal year 2013, and \$7,620,000 of the general fund--federal

1 appropriation are provided solely for the department and regional
2 support networks to continue to contract for implementation of high-
3 intensity programs for assertive community treatment (PACT) teams. In
4 determining the proportion of medicaid and nonmedicaid funding provided
5 to regional support networks with PACT teams, the department shall
6 consider the differences between regional support networks in the
7 percentages of services and other costs associated with the teams that
8 are not reimbursable under medicaid. The department may allow regional
9 support networks which have nonmedicaid reimbursable costs that are
10 higher than the nonmedicaid allocation they receive under this section
11 to supplement these funds with local dollars or funds received under
12 section 204(1)(a) of this act. The department and regional support
13 networks shall maintain consistency with all essential elements of the
14 PACT evidence-based practice model in programs funded under this
15 section.

16 (c) \$5,850,000 of the general fund--state appropriation for fiscal
17 year 2012, \$5,850,000 of the general fund--state appropriation for
18 fiscal year 2013, and \$1,300,000 of the general fund--federal
19 appropriation are provided solely for the western Washington regional
20 support networks to provide either community- or hospital campus-based
21 services for persons who require the level of care previously provided
22 by the program for adaptive living skills (PALS) at western state
23 hospital.

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

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

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

37 (h) \$750,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$750,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely to continue performance-based
2 incentive contracts to provide appropriate community support services
3 for individuals with severe mental illness who were discharged from the
4 state hospitals as part of the expanding community services initiative.
5 These funds will be used to enhance community residential and support
6 services provided by regional support networks through other state and
7 federal funding.

8 (i) \$1,125,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$1,125,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for the Spokane regional support
11 network to implement services to reduce utilization and the census at
12 eastern state hospital. Such services shall include:

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

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

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

22 (iv) Services at the sixteen-bed evaluation and treatment facility.

23 At least annually, the Spokane regional support network shall
24 assess the effectiveness of these services in reducing utilization at
25 eastern state hospital, identify services that are not optimally
26 effective, and modify those services to improve their effectiveness.

27 (j) \$1,529,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$1,529,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely to reimburse Pierce and Spokane
30 counties for the cost of conducting 180-day commitment hearings at the
31 state psychiatric hospitals.

32 (k) Regional support networks may use local funds to earn
33 additional federal medicaid match, provided the locally matched rate
34 does not exceed the upper-bound of their federally allowable rate
35 range, and provided that the enhanced funding is used only to provide
36 medicaid state plan or waiver services to medicaid clients.
37 Additionally, regional support networks may use a portion of the state
38 funds allocated in accordance with (a) of this subsection to earn

1 additional medicaid match, but only to the extent that the application
2 of such funds to medicaid services does not diminish the level of
3 crisis and commitment, community inpatient, residential care, and
4 outpatient services presently available to persons not eligible for
5 medicaid.

6 (l) Given the recent approval of federal medicaid matching funds
7 for the disability lifeline and the alcohol and drug abuse treatment
8 support act programs, the department shall charge regional support
9 networks for only the state share rather than the total cost of
10 community psychiatric hospitalization for persons enrolled in those
11 programs.

12 (m) \$750,000 of the general fund--state appropriation for fiscal
13 year 2012, \$750,000 of the general fund--state appropriation for fiscal
14 year 2013, and \$1,500,000 of the general fund--federal appropriation
15 are provided solely to adjust regional support network capitation rates
16 to account for the per diem rates actually paid for psychiatric care
17 provided at hospitals participating in the certified public expenditure
18 program operated pursuant to section 213 of this act.

19 (n) The appropriations in this section reflect efficiencies to be
20 achieved through voluntary consolidation of regional support networks
21 in accordance with Substitute House Bill No. 2139 (regional support
22 networks). Voluntary consolidation of regional support networks is
23 expected to result in administrative efficiencies and maximize dollars
24 available for direct services to individuals with mental illnesses
25 without corresponding increases in state appropriations.

26 (2) INSTITUTIONAL SERVICES

27	General Fund--State Appropriation (FY 2012)	\$115,017,000
28	General Fund--State Appropriation (FY 2013)	(\$112,603,000)
29		<u>\$118,538,000</u>
30	General Fund--Federal Appropriation	(\$153,618,000)
31		<u>\$151,154,000</u>
32	General Fund--Private/Local Appropriation	(\$67,325,000)
33		<u>\$64,594,000</u>
34	TOTAL APPROPRIATION	(\$448,563,000)
35		<u>\$449,303,000</u>

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

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

4 (b) \$231,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$231,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for a community partnership
7 between western state hospital and the city of Lakewood to support
8 community policing efforts in the Lakewood community surrounding
9 western state hospital. The amounts provided in this subsection (2)(b)
10 are for the salaries, benefits, supplies, and equipment for one full-
11 time investigator, one full-time police officer, and one full-time
12 community service officer at the city of Lakewood.

13 (c) \$45,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$45,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for payment to the city of
16 Lakewood for police services provided by the city at western state
17 hospital and adjacent areas.

18 (d) \$20,000,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$20,000,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely to maintain staffed capacity to
21 serve an average daily census in forensic wards at western state
22 hospital of 270 patients per day.

23 (e) The appropriations in this section reflect efficiencies to be
24 achieved through enactment of Substitute Senate Bill No. 6492
25 (competency to stand trial). These efficiencies are expected to enable
26 the hospitals to substantially increase the timeliness with which
27 evaluations of defendant competency to stand trial are completed, and
28 treatment to restore competency is initiated, without corresponding
29 increases in state appropriations.

30 (f) \$56,000 of the general fund--state appropriation for fiscal
31 year 2013 and \$52,000 of the general fund--federal appropriation are
32 provided solely for staffing costs associated with implementation of
33 Engrossed Second Substitute House Bill No. 2536 (children
34 services/delivery). The amounts provided in this subsection must be
35 used for coordinated evidence-based practice implementation amongst the
36 department's programs providing mental health, child welfare, and
37 juvenile justice services to children.

38 (3) SPECIAL PROJECTS

1	General Fund--State Appropriation (FY 2012)	\$1,148,000
2	General Fund--State Appropriation (FY 2013)	\$1,276,000
3	General Fund--Federal Appropriation	(\$4,198,000)
4		<u>\$5,198,000</u>
5	General Fund--Private/Local Appropriation	\$700,000
6	TOTAL APPROPRIATION	(\$7,322,000)
7		<u>\$8,322,000</u>

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

10 (a) \$1,161,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$1,161,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for children's evidence-based
13 mental health services. Funding is sufficient to continue serving
14 children at the same levels as fiscal year 2009.

15 (b) \$700,000 of the general fund--private/local appropriation is
16 provided solely for the University of Washington's evidence-based
17 practice institute which supports the identification, evaluation, and
18 implementation of evidence-based or promising practices for serving
19 children and youth with mental health disorders. The department shall
20 enter into an interagency agreement with the office of the attorney
21 general for expenditure of \$700,000 of the state's proceeds of the *cy*
22 *pres* settlement in *State of Washington v. AstraZeneca (Seroquel)* for
23 this purpose.

24 (c) \$135,000 of the general fund--state appropriation for fiscal
25 year 2013 and \$89,000 of the general fund--federal appropriation are
26 provided solely for the department to contract with the University of
27 Washington's evidence-based practice institute and the Washington state
28 institute for public policy to consult with the department and the
29 health care authority on the implementation of Engrossed Second
30 Substitute House Bill No. 2536 (children services/delivery). The
31 department's programs responsible for administration of mental health,
32 child welfare, and juvenile justice programs will coordinate with the
33 health care authority on the development of contract terms which
34 facilitate efforts to meet requirements of the bill. If Engrossed
35 Second Substitute House Bill No. 2536 (children services/delivery) is
36 not enacted by June 30, 2012, the amounts provided in this subsection
37 shall lapse.

38 (4) PROGRAM SUPPORT

1	General Fund--State Appropriation (FY 2012)	\$4,482,000
2	General Fund--State Appropriation (FY 2013)	(\$4,247,000)
3		<u>\$4,161,000</u>
4	General Fund--Federal Appropriation	(\$7,210,000)
5		<u>\$7,128,000</u>
6	General Fund--Private/Local Appropriation	\$446,000
7	TOTAL APPROPRIATION	(\$16,385,000)
8		<u>\$16,217,000</u>

9 (a) The appropriations in this subsection are subject to the
10 following conditions and limitations: In accordance with RCW
11 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to
12 increase license and certification fees in fiscal years 2012 and 2013
13 to support the costs of the regulatory program. The fee schedule
14 increases must be developed so that the maximum amount of additional
15 fees paid by providers statewide in the 2011-2013 fiscal biennium is
16 \$446,000. The department's fee schedule shall have differential rates
17 for providers with proof of accreditation from organizations that the
18 department has determined to have substantially equivalent standards to
19 those of the department, including but not limited to the joint
20 commission on accreditation of health care organizations, the
21 commission on accreditation of rehabilitation facilities, and the
22 council on accreditation. To reflect the reduced costs associated with
23 regulation of accredited programs, the department's fees for
24 organizations with such proof of accreditation must reflect the lower
25 costs of licensing for these programs than for other organizations
26 which are not accredited.

27 (b) \$19,000 of the general fund--state appropriation for fiscal
28 year 2012, \$17,000 of the general fund--state appropriation for fiscal
29 year 2013, and \$34,000 of the general fund--federal appropriation are
30 provided solely to support a partnership among the department of social
31 and health services, the department of health, and agencies that
32 deliver medical care and behavioral health services in Cowlitz county.
33 The partnership shall identify and recommend strategies for resolving
34 regulatory, licensing, data management, reporting, and funding barriers
35 to more effective integration of primary medical and behavioral health
36 care services in the county.

1 **Sec. 205.** 2012 2nd sp.s. c 7 s 205 (uncodified) is amended to read
2 as follows:

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

5 (1) COMMUNITY SERVICES

6	General Fund--State Appropriation (FY 2012)	\$405,412,000
7	General Fund--State Appropriation (FY 2013)	(\$420,327,000)
8		<u>\$413,729,000</u>
9	General Fund--Federal Appropriation	(\$752,059,000)
10		<u>\$745,186,000</u>
11	General Fund--Private/Local Appropriation	\$184,000
12	TOTAL APPROPRIATION	(\$1,577,982,000)
13		<u>\$1,564,511,000</u>

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

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

20 (b) Amounts appropriated in this subsection reflect a reduction to
21 funds appropriated for in-home care. The department shall reduce the
22 number of in-home hours authorized. The reduction shall be scaled
23 based on the acuity level of care recipients. The largest hour
24 reductions shall be to lower acuity patients and the smallest hour
25 reductions shall be to higher acuity patients.

26 (c) Amounts appropriated in this subsection are sufficient to
27 develop and implement the use of a consistent, statewide outcome-based
28 vendor contract for employment and day services by July 1, 2012. The
29 rates paid to vendors under this contract shall also be made
30 consistent. In its description of activities the agency shall include
31 activity listings and dollars appropriated for: Employment services,
32 day services, child development services and county administration of
33 services to the developmentally disabled. The department shall begin
34 reporting to the office of financial management on these activities
35 beginning in fiscal year 2010.

36 (d) \$944,000 of the general fund--state appropriation for fiscal
37 year 2012, \$944,000 of the general fund--state appropriation for fiscal
38 year 2013, and \$1,888,000 of the general fund--federal appropriation

1 are provided solely for state contributions for individual provider
2 health care benefits. Pursuant to the collective bargaining agreement
3 negotiated with the exclusive bargaining representative of individual
4 providers established under RCW 74.39A.270, the state shall contribute
5 to the multiemployer health benefits trust fund \$2.21 per paid hour
6 worked by individual providers.

7 (e) \$1,329,000 of the general fund--state appropriation for fiscal
8 year 2012, \$1,622,000 of the general fund--state appropriation for
9 fiscal year 2013, and \$2,947,000 of the general fund--federal
10 appropriation are provided solely for the state's contribution to the
11 training partnership, as provided in RCW 74.39A.360, for instructional
12 costs associated with the training of individual providers.
13 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
14 by all home care workers. Expenditures for the purposes specified in
15 this subsection shall not exceed the amounts provided in this
16 subsection. However, if the governor and the service employees
17 international union healthcare 775nw can reach agreement on repurposing
18 funding that is currently provided in the individual provider
19 collective bargaining agreement for new individual provider wages paid
20 during training or other training related items, then expenditures for
21 training trust contributions for individual providers may include the
22 amounts provided in this subsection and the agreed upon repurposed
23 funding. Funding in this section for purposes other than the
24 individual provider collective bargaining agreement cannot be used for
25 the purposes of this subsection (1)(e). It is the intent of the
26 legislature that the funding provided in this subsection, including any
27 repurposed funding, is sufficient to cover the costs of individual
28 provider training and therefore tuition or other entrance fees are not
29 necessary.

30 (f) \$104,669,000 of the general fund--state appropriation for
31 fiscal year 2013 and \$104,669,000 of the general fund--federal
32 appropriation are provided solely for the department to provide
33 personal care services to waiver and nonwaiver in-home clients. The
34 department shall provide the legislature with a report by December 5,
35 2012, on the feasibility of converting the medicaid personal care
36 program for in-home adults to a medicaid program as found in section
37 1915(i) of the federal social security act that utilizes the option for

1 self-direction of individualized budgets. The department shall operate
2 the personal care program within the amounts specifically provided.

3 (g)(i) Within the amounts appropriated in this subsection, the
4 department shall revise the current working age adult policy to allow
5 clients to choose between employment and community access activities.
6 Clients age 21 and older who are receiving services through a home- and
7 community-based medicaid waiver shall be offered the choice to
8 transition to a community access program after nine months of
9 enrollment in an employment program, and the option to transition from
10 a community access program to an employment program at any time. The
11 department shall inform clients and their legal representatives of all
12 available options for employment and day services. Information
13 provided to the client and the client's legal representative shall
14 include the types of activities each service option provides, and the
15 amount, scope, and duration of service for which the client would be
16 eligible under each service option. An individual client may be
17 authorized for only one service option, either employment services or
18 community access services. Clients may not participate in more than
19 one of these services at any given time.

20 (ii) The department shall work with counties and stakeholders to
21 strengthen and expand the existing community access program. The
22 program must emphasize support for the client so they are able to
23 participate in activities that integrate them into their community and
24 support independent living and skills.

25 (iii) The appropriation in this subsection includes funding to
26 provide employment or community access services to 168 medicaid
27 eligible young adults with developmental disabilities living with their
28 families who need employment opportunities and assistance after high
29 school graduation.

30 (h) \$75,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$75,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the restoration of direct
33 support to local organizations that utilize parent-to-parent networks
34 and communication to promote access and quality of care for individuals
35 with developmental disabilities and their families.

36 (i) In accordance with Engrossed Substitute House Bill No. 1277
37 (licensed settings for vulnerable adults), adult family home license

1 fees are increased in fiscal years 2012 and 2013 to support the costs
2 of conducting licensure, inspection, and regulatory programs.

3 (i) The current annual renewal license fee for adult family homes
4 shall be increased to \$100 per bed beginning in fiscal year 2012 and
5 \$175 per bed beginning in fiscal year 2013. Adult family homes shall
6 receive a corresponding vendor rate increase per medicaid patient day
7 of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
8 amount necessary to fully fund the license fee increase for publicly
9 funded beds, pursuant to the most recent bed estimates maintained by
10 the department.

11 (ii) Beginning in fiscal year 2012, a processing fee of \$2,750
12 shall be charged to each adult family home when the home is initially
13 licensed. This fee is nonrefundable.

14 (j) Clients with developmental disabilities have demonstrated a
15 need and a desire for a day services program as verified by over 900
16 clients currently accessing day programs through a long-term care
17 service model. In addition, every individual, to include those with a
18 developmental disability, should have the opportunity for meaningful
19 employment which allows them to contribute to their communities and to
20 become as self-sufficient as possible. Providing choice empowers
21 recipients of publicly funded services and their families by expanding
22 their degree of control over the services and supports they need.

23 The department shall work with legislators and stakeholders to
24 develop a new approach to employment and day services. The objective
25 of this plan is to ensure that adults with developmental disabilities
26 have optimum choices, and that employment and day offerings are
27 comprehensive enough to meet the needs of all clients currently served
28 on a home and community based waiver. The proposal shall be submitted
29 to the 2012 legislature for consideration and shall be constructed such
30 that a client ultimately receives employment, community access, or the
31 community day option but not more than one service at a time. The
32 proposal shall include options for program efficiencies within the
33 current employment and day structure and shall provide details on the
34 plan to implement a consistent, statewide outcome-based vendor contract
35 for employment and day services as specified in (c) of this subsection.

36 (2) INSTITUTIONAL SERVICES

37 General Fund--State Appropriation (FY 2012) \$75,436,000
38 General Fund--State Appropriation (FY 2013) (~~(\$80,356,000)~~)

1		<u>\$78,071,000</u>
2	General Fund--Federal Appropriation	((\$153,570,000))
3		<u>\$152,748,000</u>
4	General Fund--Private/Local Appropriation	\$22,043,000
5	TOTAL APPROPRIATION	((\$331,405,000))
6		<u>\$328,298,000</u>

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

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

13 (b) \$721,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$721,000 of the general fund--state appropriation for
15 fiscal year 2013 are for the department to fulfill its contracts with
16 the school districts under chapter 28A.190 RCW to provide
17 transportation, building space, and other support services as are
18 reasonably necessary to support the educational programs of students
19 living in residential habilitation centers.

20 (3) PROGRAM SUPPORT

21	General Fund--State Appropriation (FY 2012)	\$1,382,000
22	General Fund--State Appropriation (FY 2013)	((\$1,366,000))
23		<u>\$2,759,000</u>
24	General Fund--Federal Appropriation	((\$1,319,000))
25		<u>\$2,119,000</u>
26	TOTAL APPROPRIATION	((\$4,067,000))
27		<u>\$6,260,000</u>

28 (4) SPECIAL PROJECTS

29	General Fund--State Appropriation (FY 2012)	\$4,634,000
30	General Fund--State Appropriation (FY 2013)	\$4,553,000
31	General Fund--Federal Appropriation	\$9,588,000
32	General Fund--Private/Local Appropriation	\$998,000
33	TOTAL APPROPRIATION	\$19,773,000

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

36 Amounts appropriated in this subsection are for the purposes of
37 transitioning clients with developmental disabilities into community

1 settings. The department is authorized as needed to use these funds to
 2 either pay for clients residing within a residential habilitation
 3 center or for placements in the community. Pursuant to Second
 4 Substitute Senate Bill No. 5459 (services for people with developmental
 5 disabilities), funding in this subsection must be prioritized for the
 6 purpose of facilitating the consolidation and closure of Frances Haddon
 7 Morgan Center. The department shall use a person-centered approach in
 8 developing the discharge plan to assess each resident's needs and
 9 identify services the resident requires to successfully transition to
 10 the community or another residential habilitation center. The
 11 department is authorized to use any savings from this effort for the
 12 purpose of developing community resources to address the needs of
 13 clients with developmental disabilities who are in crisis or in need of
 14 respite. The department shall track the costs and savings of closing
 15 Frances Haddon Morgan Center and any investments into community
 16 placements and resources. The department shall provide a fiscal
 17 progress report to the legislature by December 5, 2011.

18 **Sec. 206.** 2012 2nd sp.s. c 7 s 206 (uncodified) is amended to read
 19 as follows:

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

22	General Fund--State Appropriation (FY 2012)	\$791,493,000
23	General Fund--State Appropriation (FY 2013)	((\$809,338,000))
24		<u>\$808,943,000</u>
25	General Fund--Federal Appropriation	((\$1,690,993,000))
26		<u>\$1,692,753,000</u>
27	General Fund--Private/Local Appropriation	\$27,517,000
28	Traumatic Brain Injury Account--State Appropriation	\$3,388,000
29	Nursing Facility Quality Assurance Account--State	
30	Appropriation	\$88,000,000
31	TOTAL APPROPRIATION	((\$3,410,729,000))
32		<u>\$3,412,094,000</u>

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

- 35 (1) For purposes of implementing chapter 74.46 RCW, the weighted
 36 average nursing facility payment rate shall not exceed \$170.37 for
 37 fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013,

1 including the rate add-ons described in (a) and (b) of this subsection.
2 However, if the waiver requested from the federal centers for medicare
3 and medicaid services in relation to the safety net assessment created
4 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is
5 for any reason not approved and implemented, the weighted average
6 nursing facility payment rate shall not exceed \$159.87 for fiscal year
7 2012 and shall not exceed \$160.93 for fiscal year 2013. There will be
8 no adjustments for economic trends and conditions in fiscal years 2012
9 and 2013. The economic trends and conditions factor or factors defined
10 in the biennial appropriations act shall not be compounded with the
11 economic trends and conditions factor or factors defined in any other
12 biennial appropriations acts before applying it to the component rate
13 allocations established in accordance with chapter 74.46 RCW. When no
14 economic trends and conditions factor for either fiscal year is defined
15 in a biennial appropriations act, no economic trends and conditions
16 factor or factors defined in any earlier biennial appropriations act
17 shall be applied solely or compounded to the component rate allocations
18 established in accordance with chapter 74.46 RCW.

19 (a) Within the funds provided, the department shall continue to
20 provide an add-on per medicaid resident day per facility not to exceed
21 \$1.57. The add-on shall be used to increase wages, benefits, and/or
22 staffing levels for certified nurse aides; or to increase wages and/or
23 benefits for dietary aides, housekeepers, laundry aides, or any other
24 category of worker whose statewide average dollars-per-hour wage was
25 less than \$15 in calendar year 2008, according to cost report data.
26 The add-on may also be used to address resulting wage compression for
27 related job classes immediately affected by wage increases to low-wage
28 workers. The department shall continue reporting requirements and a
29 settlement process to ensure that the funds are spent according to this
30 subsection.

31 (b) The department shall do a comparative analysis of the facility-
32 based payment rates calculated on July 1, 2012, using the payment
33 methodology defined in chapter 74.46 RCW and as funded in the omnibus
34 appropriations act, excluding the comparative add-on, acuity add-on,
35 and safety net reimbursement, to the facility-based payment rates in
36 effect June 30, 2010. If the facility-based payment rate calculated on
37 July 1, 2012, is smaller than the facility-based payment rate on June

1 30, 2010, then the difference shall be provided to the individual
2 nursing facilities as an add-on payment per medicaid resident day.

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

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

17 (e) If the waiver requested from the federal centers for medicare
18 and medicaid services in relation to the safety net assessment created
19 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is
20 for any reason not approved and implemented, (b), (c), and (d) of this
21 subsection do not apply.

22 (2) After examining actual nursing facility cost information, the
23 legislature finds that the medicaid nursing facility rates calculated
24 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home
25 payments) provide sufficient reimbursement to efficiently and
26 economically operating nursing facilities and bear a reasonable
27 relationship to costs.

28 (3) In accordance with chapter 74.46 RCW, the department shall
29 issue no additional certificates of capital authorization for fiscal
30 year 2012 and no new certificates of capital authorization for fiscal
31 year 2013 and shall grant no rate add-ons to payment rates for capital
32 improvements not requiring a certificate of need and a certificate of
33 capital authorization for fiscal years 2012 and 2013.

34 (4) The long-term care program may develop and pay enhanced rates
35 for exceptional care to nursing homes for persons with traumatic brain
36 injuries who are transitioning from hospital care. The cost per
37 patient day for caring for these clients in a nursing home setting may

1 be equal to or less than the cost of caring for these clients in a
2 hospital setting.

3 (5) Amounts appropriated in this section reflect a reduction to
4 funds appropriated for in-home care. The department shall reduce the
5 number of in-home hours authorized. The reduction shall be scaled
6 based on the acuity level of care recipients. The largest hour
7 reductions shall be to lower acuity patients and the smallest hour
8 reductions shall be to higher acuity patients.

9 (6) \$1,883,000 of the general fund--state appropriation for fiscal
10 year 2012, \$1,883,000 of the general fund--state appropriation for
11 fiscal year 2013, and \$3,766,000 of the general fund--federal
12 appropriation are provided solely for state contributions for
13 individual provider health care benefits. Pursuant to the collective
14 bargaining agreement negotiated with the exclusive bargaining
15 representative of individual providers established under RCW
16 74.39A.270, the state shall contribute to the multiemployer health
17 benefits trust fund \$2.21 per paid hour worked by individual providers.

18 (7) \$2,449,000 of the general fund--state appropriation for fiscal
19 year 2012, \$3,012,000 of the general fund--state appropriation for
20 fiscal year 2013, and \$5,463,000 of the general fund--federal
21 appropriation are provided solely for the state's contribution to the
22 training partnership, as provided in RCW 74.39A.360, for instructional
23 costs associated with the training of individual providers.
24 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
25 by all home care workers. Expenditures for the purposes specified in
26 this subsection shall not exceed the amounts provided in this
27 subsection. However, if the governor and the service employees
28 international union healthcare 775nw can reach agreement on repurposing
29 funding that is currently provided in the individual provider
30 collective bargaining agreement for new individual provider wages paid
31 during training or other training related items, then expenditures for
32 training trust contributions for individual providers may include the
33 amounts provided in this subsection and the agreed upon repurposed
34 funding. Funding in this section for purposes other than the
35 individual provider collective bargaining agreement cannot be used for
36 the purposes of this subsection (7). It is the intent of the
37 legislature that the funding provided in this subsection, including any

1 repurposed funding, is sufficient to cover the costs of individual
2 provider training and therefore tuition or other entrance fees are not
3 necessary.

4 (8) \$338,550,000 of the general fund--state appropriation for
5 fiscal year 2013 and \$338,550,000 of the general fund--federal
6 appropriation are provided solely for the department to provide
7 personal care services to waiver and nonwaiver in-home clients. The
8 department shall provide the legislature with a report by December 5,
9 2012, on the feasibility of converting the medicaid personal care
10 program for in-home adults to a medicaid program as found in section
11 1915(i) of the federal social security act that utilizes the option for
12 self-direction of individualized budgets. The department shall operate
13 the personal care program within the amounts specifically provided.

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

18 (10) The department shall eliminate the adult day health program
19 under the state plan 1915(i) option and shall reestablish it under the
20 long-term care home and community-based waiver.

21 (11) \$4,588,000 of the general fund--state appropriation for fiscal
22 year 2012, \$4,559,000 of the general fund--state appropriation for
23 fiscal year 2013, and \$9,237,000 of the general fund--federal
24 appropriation are provided solely for the continued operation of
25 community residential and support services for persons who are older
26 adults or who have co-occurring medical and behavioral disorders and
27 who have been discharged or diverted from a state psychiatric hospital.
28 These funds shall be used to serve individuals whose treatment needs
29 constitute substantial barriers to community placement, who no longer
30 require active psychiatric treatment at an inpatient hospital level of
31 care, and who no longer meet the criteria for inpatient involuntary
32 commitment.

33 (12) \$1,840,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$1,877,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for operation of the volunteer
36 services program. Funding shall be prioritized towards serving
37 populations traditionally served by long-term care services to include
38 senior citizens and persons with disabilities.

1 (13) In accordance with Engrossed Substitute House Bill No. 1277
2 (licensed settings for vulnerable adults), nursing facility fees are
3 increased in fiscal year 2012 and adult family home fees are increased
4 in fiscal year 2012 and fiscal year 2013 to support the costs of
5 conducting licensure, inspection, and regulatory programs.

6 (a) The current annual renewal license fee for nursing facilities
7 shall be increased to \$359 per bed beginning in fiscal year 2012 and
8 assumes \$517,000 of the general fund--private/local appropriation.
9 Nursing facilities shall receive a vendor rate increase of \$0.08 per
10 medicaid patient day to cover the license fee increase for publicly
11 funded beds.

12 (b) The current annual renewal license fee for adult family homes
13 shall be increased to \$100 per bed beginning in fiscal year 2012 and
14 assumes \$1,449,000 of the general fund--private/local appropriation;
15 and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000
16 of the general fund--private/local appropriation. Adult family homes
17 shall receive a corresponding vendor rate increase per medicaid patient
18 day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
19 amount necessary to fully fund the license fee increase for publicly
20 funded beds, pursuant to the most recent bed estimates maintained by
21 the department.

22 (c) Beginning in fiscal year 2012, a processing fee of \$2,750 shall
23 be charged to each adult family home when the home is initially
24 licensed. This fee is nonrefundable.

25 (d) \$72,000 of the general fund--state appropriation for fiscal
26 year 2012, \$708,000 of the general fund--private/local appropriation
27 and \$708,000 of the general fund--federal appropriation are provided
28 solely to implement sections 501 through 503 of Engrossed Substitute
29 House Bill No. 1277 (licensed settings for vulnerable adults). The
30 department shall use additional investigative resources to address
31 complaints about provider practices as well as alleged abuse, neglect,
32 abandonment, and exploitation of residents in adult family homes. The
33 department shall develop a statewide internal quality review and
34 accountability program to improve the accountability of staff and the
35 consistent application of investigative activities, and shall convene
36 a quality assurance panel to review problems in the quality of care in
37 adult family homes.

1 (14) \$3,316,000 of the traumatic brain injury account--state
2 appropriation is provided solely to continue services for persons with
3 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011
4 (traumatic brain injury strategic partnership).

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

9 (16) The department shall participate in the work group established
10 by the department of corrections in section 220(2) of this act to
11 review release options for elderly and infirm offenders.

12 **Sec. 207.** 2012 2nd sp.s. c 7 s 207 (uncodified) is amended to read
13 as follows:

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

16	General Fund--State Appropriation (FY 2012)	\$415,553,000
17	General Fund--State Appropriation (FY 2013)	((\$438,483,000))
18		<u>\$405,458,000</u>
19	General Fund--Federal Appropriation	((\$1,174,416,000))
20		<u>\$1,226,820,000</u>
21	General Fund--Private/Local Appropriation	\$30,592,000
22	TOTAL APPROPRIATION	((\$2,059,044,000))
23		<u>\$2,078,423,000</u>

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

26 (1) \$195,410,000 of the general fund--state appropriation for
27 fiscal year 2012, ((~~\$235,808,000~~)) \$197,006,000 of the general
28 fund--state appropriation for fiscal year 2013, and ((~~\$725,586,000~~))
29 \$759,696,000 of the general fund--federal appropriation are provided
30 solely for all components of the WorkFirst program. Under section 2 of
31 Engrossed Substitute Senate Bill No. 5921 (social services programs),
32 the amounts in this subsection assume that any participant in the
33 temporary assistance for needy families where their participation is
34 suspended and does not volunteer to participate in WorkFirst services
35 or unsubsidized employment does not receive child care subsidies or
36 WorkFirst subsidies as a condition of the suspension. Within the

1 amounts provided for the WorkFirst program, the department may provide
2 assistance using state-only funds for families eligible for temporary
3 assistance for needy families.

4 (a) Within the amounts provided for WorkFirst in this subsection,
5 the department shall continue to implement WorkFirst program
6 improvements that are designed to achieve progress against outcome
7 measures specified in Engrossed House Bill No. 2262 (WorkFirst and
8 child care) and RCW 74.08A.410.

9 (b) The department may establish a career services work transition
10 program.

11 (c) Within amounts appropriated in this section, the legislature
12 expressly mandates that the department exercise its authority, granted
13 in 1997 under RCW 74.08A.290, to contract for work activities services
14 pursuant to that statutory authority and RCW 41.06.142(3).

15 (d) The department shall create a temporary assistance for needy
16 families budget structure that allows for more transparent tracking of
17 budget units and subunits of expenditures where these units and
18 subunits are mutually exclusive from other department budget units.
19 The budget structure shall include budget units for the following:
20 Grants, child care, WorkFirst activities, and administration of the
21 program.

22 (2) \$23,679,000 of the general fund--state appropriation for fiscal
23 year 2012, in addition to supplemental security income recoveries, is
24 provided solely for financial assistance and other services to
25 recipients in the program established in section 4, chapter 8, Laws of
26 2010 1st sp. sess., until the program terminates on October 31, 2011.

27 (3)(a) \$12,457,000 of the general fund--state appropriation for
28 fiscal year 2012 and \$21,959,000 of the general fund--state
29 appropriation for fiscal year 2013, in addition to supplemental
30 security income recoveries, are provided solely for the programs
31 created in Engrossed Substitute House Bill No. 2082 (essential needs
32 and assistance program) beginning November 1, 2011.

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

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

7 (4) \$1,657,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$1,657,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for naturalization services.

10 (5) \$2,366,000 of the general fund--state appropriation for fiscal
11 year 2012 is provided solely for refugee employment services, of which
12 \$1,774,000 is provided solely for the department to pass through to
13 statewide refugee assistance organizations for limited English
14 proficiency pathway services; and \$2,366,000 of the general fund--state
15 appropriation for fiscal year 2013 is provided solely for refugee
16 employment services, of which \$1,774,000 is provided solely for the
17 department to pass through to statewide refugee assistance
18 organizations for limited English proficiency pathway services.

19 (6) On December 1, 2011, and annually thereafter, the department
20 must report to the legislature on all sources of funding available for
21 both refugee and immigrant services and naturalization services during
22 the current fiscal year and the amounts expended to date by service
23 type and funding source. The report must also include the number of
24 clients served and outcome data for the clients.

25 (7) To ensure expenditures remain within available funds
26 appropriated in this section, the legislature establishes the benefit
27 under the state food assistance program, pursuant to RCW 74.08A.120, to
28 be fifty percent of the federal supplemental nutrition assistance
29 program benefit amount.

30 **Sec. 208.** 2012 2nd sp.s. c 7 s 208 (uncodified) is amended to read
31 as follows:

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

34	General Fund--State Appropriation (FY 2012)	\$73,742,000
35	General Fund--State Appropriation (FY 2013)	((\$71,218,000))
36		<u>\$71,019,000</u>
37	General Fund--Federal Appropriation	((\$184,401,000))

1		<u>\$187,979,000</u>
2	General Fund--Private/Local Appropriation	((\$13,486,000))
3		<u>\$16,248,000</u>
4	Criminal Justice Treatment Account--State	
5	Appropriation	\$20,748,000
6	Problem Gambling Account--State Appropriation	\$1,448,000
7	TOTAL APPROPRIATION	((\$365,043,000))
8		<u>\$371,184,000</u>

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

11 (1) Within the amounts appropriated in this section, the department
12 may contract with the University of Washington and community-based
13 providers for the provision of the parent-child assistance program.
14 For all contractors, indirect charges for administering the program
15 shall not exceed ten percent of the total contract amount.

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

21 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
22 department is authorized to increase fees for the review and approval
23 of treatment programs in fiscal years 2012 and 2013 as necessary to
24 support the costs of the regulatory program. The department's fee
25 schedule shall have differential rates for providers with proof of
26 accreditation from organizations that the department has determined to
27 have substantially equivalent standards to those of the department,
28 including but not limited to the joint commission on accreditation of
29 health care organizations, the commission on accreditation of
30 rehabilitation facilities, and the council on accreditation. To
31 reflect the reduced costs associated with regulation of accredited
32 programs, the department's fees for organizations with such proof of
33 accreditation must reflect the lower cost of licensing for these
34 programs than for other organizations which are not accredited.

35 (4) \$3,500,000 of the general fund--federal appropriation (from the
36 substance abuse prevention and treatment federal block grant) is
37 provided solely for the continued funding of existing county drug and
38 alcohol use prevention programs.

1 (5) Within amounts appropriated in this section, the department is
2 required to increase federal match available for intensive inpatient
3 services. During fiscal year 2013, the department shall shift
4 contracts for a minimum of 32 intensive inpatient beds currently
5 provided in settings that are considered institutions for mental
6 diseases to two or more facilities with no more than 16 beds that are
7 able to claim federal match for services provided to medicaid clients
8 or individuals covered under the department's section 1115 medicaid
9 waiver. The department is authorized to conduct a request for proposal
10 process to fulfill this requirement. By December 1, 2012, the
11 department shall provide a plan to the office of financial management
12 and to the relevant fiscal and policy committees of the legislature for
13 transitioning all remaining intensive inpatient beds currently provided
14 in settings that are considered institutions for mental diseases into
15 facilities with no more than 16 beds by June 2017. The plan shall
16 identify the maximum number of additional beds that can be transitioned
17 into facilities with no more than 16 beds during the 2013-2015 fiscal
18 biennium and the remaining number that will be transitioned during the
19 2015-2017 fiscal biennium, a timeline and process for accomplishing
20 this, and a projection of the related general fund--state savings for
21 each biennium.

22 (6) The amounts appropriated in this section include reductions of
23 \$303,000 in the general fund--state appropriation for fiscal year 2012
24 and \$1,815,000 in the general fund--state appropriation for fiscal year
25 2013. The department must apply this reduction across all levels of
26 chemical dependency residential treatment services excluding services
27 contracted through the counties, services provided to pregnant and
28 parenting women, services provided to juveniles, and services provided
29 to parents in dependency proceedings.

30 **Sec. 209.** 2012 2nd sp.s. c 7 s 209 (uncodified) is amended to read
31 as follows:

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

34	General Fund--State Appropriation (FY 2012)	\$10,854,000
35	General Fund--State Appropriation (FY 2013)	(\$10,401,000)
36		<u>\$10,353,000</u>
37	General Fund--Federal Appropriation	(\$105,060,000)

1		<u>\$104,922,000</u>
2	Telecommunications Devices for the Hearing and	
3	Speech Impaired--State Appropriation	\$2,766,000
4	TOTAL APPROPRIATION	((\$129,081,000))
5		<u>\$128,895,000</u>

6 The appropriations in this section are subject to the following
7 conditions and limitations: \$480,000 of the telecommunications devices
8 for the hearing and speech impaired account--state appropriation is
9 provided solely for the office of deaf and hard of hearing to contract
10 for services that provide ((employment)) support and help with life
11 activities for deaf-blind individuals in ((King county)) the Puget
12 Sound area.

13 **Sec. 210.** 2012 2nd sp.s. c 7 s 210 (uncodified) is amended to read
14 as follows:

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

17	General Fund--State Appropriation (FY 2012)	\$48,167,000
18	General Fund--State Appropriation (FY 2013)	((\$36,128,000))
19		<u>\$38,065,000</u>
20	TOTAL APPROPRIATION	((\$84,295,000))
21		<u>\$86,232,000</u>

22 **Sec. 211.** 2012 2nd sp.s. c 7 s 211 (uncodified) is amended to read
23 as follows:

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

26	General Fund--State Appropriation (FY 2012)	\$26,069,000
27	General Fund--State Appropriation (FY 2013)	((\$24,474,000))
28		<u>\$26,301,000</u>
29	General Fund--Federal Appropriation	((\$39,550,000))
30		<u>\$42,090,000</u>
31	General Fund--Private/Local Appropriation	\$2,116,000
32	Performance Audits of State Government--State	
33	Appropriation	\$4,812,000
34	TOTAL APPROPRIATION	((\$97,021,000))
35		<u>\$101,388,000</u>

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

3 (1) \$300,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$300,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for the Washington state mentors
6 program to continue its public-private partnerships to provide
7 technical assistance and training to mentoring programs that serve
8 at-risk youth.

9 (2) \$445,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$445,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for funding of the teamchild
12 project.

13 (3) \$178,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$178,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for the juvenile detention
16 alternatives initiative.

17 (4) \$4,812,000 of the performance audits of state government--state
18 appropriation is provided solely for support and expansion of the
19 division of fraud investigation. The division shall conduct
20 investigatory and enforcement activities for all department programs,
21 including the child support and TANF programs.

22 (5) \$1,400,000 of the general fund--state appropriation for fiscal
23 year 2012 is provided solely for the department to distribute as
24 support to community public health and safety networks that have a
25 history of providing training and services related to adverse childhood
26 experiences. Distribution of these funds is contingent upon securing
27 funding from a private entity or entities to provide one dollar in
28 matching funds for each dollar in state funds received by a network so
29 that the funding received by a community public health and safety
30 network will be equal portions of state and private funding.

31 ((+7)) (6) \$250,000 of the general fund--state appropriation for
32 fiscal year 2013 is provided solely for a grant program focused on
33 criminal street gang prevention and intervention. The Washington state
34 partnership council on juvenile justice may award grants under this
35 subsection. The council shall give priority to applicants who have
36 demonstrated the greatest problems with criminal street gangs.
37 Applicants composed of, at a minimum, one or more local governmental
38 entities and one or more nonprofit, nongovernmental organizations that

1 have a documented history of creating and administering effective
2 criminal street gang prevention and intervention programs may apply for
3 funding under this subsection.

4 ~~((8) \$113,000 of the general fund--state appropriation for fiscal
5 year 2013 and \$105,000 of the general fund--federal appropriation are
6 provided solely for staffing costs associated with implementation of
7 Engrossed Second Substitute House Bill No. 2536 (children
8 services/delivery). The amounts provided in this subsection must be
9 used for coordinated evidence-based practice implementation amongst the
10 department's programs providing mental health, child welfare, and
11 juvenile justice services to children. If Engrossed Second Substitute
12 House Bill No. 2536 (children services/delivery) is not enacted by June
13 30, 2012, the amounts provided in this subsection shall lapse.))~~

14 **Sec. 212.** 2012 2nd sp.s. c 7 s 212 (uncodified) is amended to read
15 as follows:

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

18	General Fund--State Appropriation (FY 2012)	\$62,140,000
19	General Fund--State Appropriation (FY 2013)	(((\$46,303,000))
20		<u>\$49,584,000</u>
21	General Fund--Federal Appropriation	(((\$53,049,000))
22		<u>\$53,409,000</u>
23	TOTAL APPROPRIATION	(((\$161,492,000))
24		<u>\$165,133,000</u>

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

27 \$469,000 of the general fund--state appropriation for fiscal year
28 2011 and \$270,000 of the general fund--state appropriation for fiscal
29 year 2012 are provided solely for implementation of Engrossed
30 Substitute Senate Bill No. 5921 (social services programs). If the
31 bill is not enacted by June 30, 2011, the amounts provided in this
32 subsection shall lapse.

33 **Sec. 213.** 2012 2nd sp.s. c 7 s 213 (uncodified) is amended to read
34 as follows:

35 **FOR THE STATE HEALTH CARE AUTHORITY**

36	General Fund--State Appropriation (FY 2012)	\$2,034,296,000
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1	General Fund--State Appropriation (FY 2013)	((\$2,031,185,000))
2		<u>\$2,028,830,000</u>
3	General Fund--Federal Appropriation	((\$5,307,323,000))
4		<u>\$5,288,197,000</u>
5	General Fund--Private/Local Appropriation	((\$62,597,000))
6		<u>\$55,299,000</u>
7	Emergency Medical Services and Trauma Care Systems	
8	Trust Account--State Appropriation	((\$15,077,000))
9		<u>\$14,032,000</u>
10	Hospital Safety Net Assessment Fund--State	
11	Appropriation	((\$434,087,000))
12		<u>\$438,841,000</u>
13	State Health Care Authority Administration Account--	
14	State Appropriation	\$34,040,000
15	Basic Health Plan Stabilization Account--	
16	State Appropriation	\$44,000,000
17	Medical Aid Account--State Appropriation	\$529,000
18	Medicaid Fraud Penalty Account--State Appropriation	\$9,200,000
19	TOTAL APPROPRIATION	((\$9,972,334,000))
20		<u>\$9,947,264,000</u>

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

23 (1) ~~((The appropriations to the authority in this act shall be
24 expended for the purposes and in the amounts specified in this act. To
25 the extent that appropriations in this section are insufficient to fund
26 actual expenditures in excess of caseload forecasts and utilization
27 assumptions, the authority, after May 1, 2012, may transfer general
28 fund state appropriations for fiscal year 2012 that are provided
29 solely for a specified purpose. The authority shall not transfer
30 funds, and the director of financial management shall not approve the
31 transfer, unless the transfer is consistent with the objective of
32 conserving, to the maximum extent possible, the expenditure of state
33 funds. The director of financial management shall notify the
34 appropriate fiscal committees of the senate and house of
35 representatives in writing seven days prior to approving any allotment
36 modifications or transfers under this subsection. The written
37 notification shall include a narrative explanation and justification of~~

1 ~~the changes, along with expenditures and allotments by budget unit and~~
2 ~~appropriation, both before and after any allotment modifications or~~
3 ~~transfers.~~

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

14 ((3)) (2) The health care authority shall require organizations
15 and individuals that are paid to deliver basic health plan services and
16 that choose to sponsor enrollment in the subsidized basic health plan
17 to pay 133 percent of the premium amount which would otherwise be due
18 from the sponsored enrollees.

19 ((4)) (3)(a) \$1,200,000 of the general fund--state appropriation
20 for fiscal year 2012 is provided solely to plan the implementation of
21 a system of consolidated public school employee health benefits
22 purchasing.

23 It is the intent of the legislature to improve the administration,
24 transparency, and equity in delivering a K-12 employees' health
25 benefits system. In addition, the legislature intends that any cost
26 savings that result from changes to K-12 health benefits be dedicated
27 to public schools.

28 To further this legislative intent, the state health care authority
29 shall develop a plan to implement a consolidated health benefits'
30 system for K-12 employees for the 2013-14 school year. The health care
31 authority shall deliver a report to the legislature by December 15,
32 2011, that sets forth the implementation plan to the ways and means
33 committees of the house of representatives and the senate.

34 (b) The report prepared by the health care authority shall compare
35 and contrast the costs and benefits, both long and short term, of:

36 (i) The current K-12 health benefits system;

37 (ii) A new K-12 employee benefits pool; and

1 (iii) Enrolling K-12 employees into the health benefits pool for
2 state employees.

3 (c) In addition to the implementation plan, the report shall
4 include the following information:

5 (i) The costs and benefits of the current K-12 health benefits
6 system;

7 (ii) The costs and benefits of providing a new statewide K-12
8 employees' health benefits pool to school districts and school
9 employees;

10 (iii) The costs and benefits of enrolling K-12 employees into the
11 existing health benefits pool for state employees;

12 (iv) Recommendations of ways to limit administrative duplication
13 and costs, improve transparency to employees, the legislature, and the
14 public and assure equity among beneficiaries of publicly provided
15 employee health benefits;

16 (v) Recommendations for standardizing benefit packages and
17 purchasing efforts in a manner that seeks to maximize funding and
18 equity for all school employees;

19 (vi) Recommendations regarding the use of incentives, including how
20 changes to state health benefit allocations could provide employees
21 with benefits that would encourage participation;

22 (vii) Recommendations regarding the implementation of a new K-12
23 employee benefit plan, with separate options for voluntary
24 participation and mandatory statewide participation;

25 (viii) Recommendations regarding methods to reduce inequities
26 between individual and family coverage;

27 (ix) Consolidation of the purchasing and budget accountability for
28 school employee benefits to maximize administrative efficiency and
29 leverage existing skills and resources; and

30 (x) Other details the health care authority deems necessary,
31 including but not limited to recommendations on the following:

32 (A) Approaches for implementing the transition to a statewide pool,
33 including administrative and statutory changes necessary to ensure a
34 successful transition, and whether the pool should be separate from, or
35 combined with, the public employees' benefits pool;

36 (B) The structure of a permanent governing group to provide ongoing
37 oversight to the consolidated pool, in a manner similar to the public

1 employees benefits board functions for employee health benefits,
2 including statutory duties and authorities of the board; and

3 (C) Options for including potential changes to: Eligibility
4 standardization, the public employees benefits risk pools, the movement
5 of school employee retirees into the new K-12 pool or pools, and the
6 movement of educational service district employees into the new K-12
7 pool or pools.

8 (d) In determining its costs and benefits of a new statewide K-12
9 employees' health benefits pool for school districts and school
10 employees, the health care authority shall assume the following:

11 (i) School district enrollees must constitute an entire bargaining
12 unit, or an entire group of nonrepresented employees;

13 (ii) Staffing and administration for benefits purchasing shall be
14 provided by the health care authority; and

15 (iii) The new K-12 pool would operate on a schedule that
16 coordinates with the financing and enrollment schedule used for school
17 districts.

18 (e) The office of the superintendent of public instruction and the
19 office of the insurance commissioner shall provide information and
20 technical assistance to the health care authority as requested by the
21 health care authority. The health care authority shall not implement
22 the new school employee benefits pool until authorized to do so by the
23 legislature.

24 ((+5+)) (4) The administrator shall take at least the following
25 actions to assure that persons participating in the basic health plan
26 are eligible for the level of assistance they receive: (a) Require
27 submission of (i) income tax returns, and recent pay history, from all
28 applicants, or (ii) other verifiable evidence of earned and unearned
29 income from those persons not required to file income tax returns; (b)
30 check employment security payroll records at least once every twelve
31 months on all enrollees; (c) require enrollees whose income as
32 indicated by payroll records exceeds that upon which their subsidy is
33 based to document their current income as a condition of continued
34 eligibility; (d) require enrollees for whom employment security payroll
35 records cannot be obtained to document their current income at least
36 once every six months; (e) not reduce gross family income for self-
37 employed persons by noncash-flow expenses such as, but not limited to,
38 depreciation, amortization, and home office deductions, as defined by

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

4 ~~((+6))~~ (5) Enrollment in the subsidized basic health plan shall be
5 limited to only include persons who qualify as subsidized enrollees as
6 defined in RCW 70.47.020 and who (a) qualify for services under 1115
7 medicaid demonstration project number 11-W-00254/10; or (b) are foster
8 parents licensed under chapter 74.15 RCW.

9 ~~((+7))~~ (6) \$23,700,000 of the general fund--federal appropriation
10 is provided solely for planning and implementation of a health benefit
11 exchange under the federal patient protection and affordable care act.
12 Within the amounts provided in this subsection, funds used by the
13 authority for information technology projects are conditioned on the
14 authority satisfying the requirements of Engrossed Second Substitute
15 Senate Bill No. 5931 (central service agencies).

16 ~~((+8))~~ (7) Based on quarterly expenditure reports and caseload
17 forecasts, if the health care authority estimates that expenditures for
18 the medical assistance program will exceed the appropriations, the
19 health care authority shall take steps including but not limited to
20 reduction of rates or elimination of optional services to reduce
21 expenditures so that total program costs do not exceed the annual
22 appropriation authority.

23 ~~((+9))~~ (8) In determining financial eligibility for medicaid-
24 funded services, the health care authority is authorized to disregard
25 recoveries by Holocaust survivors of insurance proceeds or other
26 assets, as defined in RCW 48.104.030.

27 ~~((+10))~~ (9) The legislature affirms that it is in the state's
28 interest for Harborview medical center to remain an economically viable
29 component of the state's health care system.

30 ~~((+11))~~ (10) When a person is ineligible for medicaid solely by
31 reason of residence in an institution for mental diseases, the health
32 care authority shall provide the person with the same benefits as he or
33 she would receive if eligible for medicaid, using state-only funds to
34 the extent necessary.

35 ~~((+12))~~ (11) \$4,261,000 of the general fund--state appropriation
36 for fiscal year 2012, \$4,261,000 of the general fund--state
37 appropriation for fiscal year 2013, and \$8,522,000 of the general

1 fund--federal appropriation are provided solely for low-income
2 disproportionate share hospital payments under RCW 74.09.730(1)(a).

3 ~~((+13))~~ (12) \$6,000,000 of the general fund--federal appropriation
4 is provided solely for supplemental payments to nursing homes operated
5 by public hospital districts. The public hospital district shall be
6 responsible for providing the required nonfederal match for the
7 supplemental payment, and the payments shall not exceed the maximum
8 allowable under federal rules. It is the legislature's intent that the
9 payments shall be supplemental to and shall not in any way offset or
10 reduce the payments calculated and provided in accordance with part E
11 of chapter 74.46 RCW. It is the legislature's further intent that
12 costs otherwise allowable for rate-setting and settlement against
13 payments under chapter 74.46 RCW shall not be disallowed solely because
14 such costs have been paid by revenues retained by the nursing home from
15 these supplemental payments. The supplemental payments are subject to
16 retrospective interim and final cost settlements based on the nursing
17 homes' as-filed and final medicare cost reports. The timing of the
18 interim and final cost settlements shall be at the health care
19 authority's discretion. During either the interim cost settlement or
20 the final cost settlement, the health care authority shall recoup from
21 the public hospital districts the supplemental payments that exceed the
22 medicaid cost limit and/or the medicare upper payment limit. The
23 health care authority shall apply federal rules for identifying the
24 eligible incurred medicaid costs and the medicare upper payment limit.

25 ~~((+14))~~ (13) The health care authority shall continue the
26 inpatient hospital certified public expenditures program for the 2011-
27 2013 fiscal biennium. The program shall apply to all public hospitals,
28 including those owned or operated by the state, except those classified
29 as critical access hospitals or state psychiatric institutions. The
30 health care authority shall submit reports to the governor and
31 legislature by November 1, 2011, and by November 1, 2012, that evaluate
32 whether savings continue to exceed costs for this program. If the
33 certified public expenditures (CPE) program in its current form is no
34 longer cost-effective to maintain, the health care authority shall
35 submit a report to the governor and legislature detailing
36 cost-effective alternative uses of local, state, and federal resources
37 as a replacement for this program. During fiscal year 2012 and fiscal
38 year 2013, hospitals in the program shall be paid and shall retain one

1 hundred percent of the federal portion of the allowable hospital cost
2 for each medicaid inpatient fee-for-service claim payable by medical
3 assistance and one hundred percent of the federal portion of the
4 maximum disproportionate share hospital payment allowable under federal
5 regulations. Inpatient medicaid payments shall be established using an
6 allowable methodology that approximates the cost of claims submitted by
7 the hospitals. Payments made to each hospital in the program in each
8 fiscal year of the biennium shall be compared to a baseline amount.
9 The baseline amount will be determined by the total of (a) the
10 inpatient claim payment amounts that would have been paid during the
11 fiscal year had the hospital not been in the CPE program based on the
12 reimbursement rates developed, implemented, and consistent with
13 policies approved in the 2011-13 biennial operating appropriations act
14 and in effect on July 1, 2011, (b) one half of the indigent assistance
15 disproportionate share hospital payment amounts paid to and retained by
16 each hospital during fiscal year 2005, and (c) all of the other
17 disproportionate share hospital payment amounts paid to and retained by
18 each hospital during fiscal year 2005 to the extent the same
19 disproportionate share hospital programs exist in the 2011-13 biennium.
20 If payments during the fiscal year exceed the hospital's baseline
21 amount, no additional payments will be made to the hospital except the
22 federal portion of allowable disproportionate share hospital payments
23 for which the hospital can certify allowable match. If payments during
24 the fiscal year are less than the baseline amount, the hospital will be
25 paid a state grant equal to the difference between payments during the
26 fiscal year and the applicable baseline amount. Payment of the state
27 grant shall be made in the applicable fiscal year and distributed in
28 monthly payments. The grants will be recalculated and redistributed as
29 the baseline is updated during the fiscal year. The grant payments are
30 subject to an interim settlement within eleven months after the end of
31 the fiscal year. A final settlement shall be performed. To the extent
32 that either settlement determines that a hospital has received funds in
33 excess of what it would have received as described in this subsection,
34 the hospital must repay the excess amounts to the state when requested.
35 \$8,102,000 of the general fund--state appropriation for fiscal year
36 2012, of which \$6,570,000 is appropriated in section 204(1) of this
37 act, and (~~(\$3,162,000)~~) \$10,177,000 of the general fund--state
38 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated

1 in section 204(1) of this act, are provided solely for state grants for
2 the participating hospitals. CPE hospitals will receive the inpatient
3 and outpatient reimbursement rate restorations in RCW 74.60.080 and
4 rate increases in RCW 74.60.090 funded through the hospital safety net
5 assessment fund rather than through the baseline mechanism specified in
6 this subsection.

7 ~~((+15))~~ (14) The health care authority shall seek public-private
8 partnerships and federal funds that are or may become available to
9 provide on-going support for outreach and education efforts under the
10 federal children's health insurance program reauthorization act of
11 2009.

12 ~~((+16))~~ (15) The health care authority shall target funding for
13 maternity support services towards pregnant women with factors that
14 lead to higher rates of poor birth outcomes, including hypertension, a
15 preterm or low birth weight birth in the most recent previous birth, a
16 cognitive deficit or developmental disability, substance abuse, severe
17 mental illness, unhealthy weight or failure to gain weight, tobacco
18 use, or African American or Native American race. The health care
19 authority shall prioritize evidence-based practices for delivery of
20 maternity support services. To the extent practicable, the health care
21 authority shall develop a mechanism to increase federal funding for
22 maternity support services by leveraging local public funding for those
23 services.

24 ~~((+17))~~ (16) For children with family incomes above 200 percent of
25 the federal poverty level in the state-funded children's health program
26 for children who are not eligible for coverage under the federally
27 funded children's health insurance program, premiums shall be set every
28 two years in an amount equal to the average state-only share of the per
29 capita cost of coverage in the state-funded children's health program
30 for children in families with incomes at or less than two hundred
31 percent of the federal poverty level.

32 ~~((+18))~~ (17) Within the amounts appropriated in this section, the
33 health care authority shall provide disproportionate share hospital
34 payments to hospitals that provide services to children in the
35 children's health program who are not eligible for services under Title
36 XIX or XXI of the federal social security act due to their citizenship
37 status.

1 ~~((+19))~~ (18) \$859,000 of the general fund--state appropriation for
2 fiscal year 2012, \$979,000 of the general fund--state appropriation for
3 fiscal year 2013, and \$1,841,000 of the general fund--federal
4 appropriation are provided solely to increase prior authorization
5 activities for advanced imaging procedures.

6 ~~((+20))~~ (19) \$196,000 of the general fund--state appropriation for
7 fiscal year 2012, \$246,000 of the general fund--state appropriation for
8 fiscal year 2013, and \$442,000 of the general fund--federal
9 appropriation are provided solely to increase prior authorization
10 activities for surgical procedures, which may include orthopedic
11 procedures, spinal procedures and interventions, and nerve procedures.

12 ~~((+21))~~ (20) \$300,000 of the general fund--private/local
13 appropriation and \$300,000 of the general fund--federal appropriation
14 are provided solely for a prescriptive practices improvement
15 collaborative focusing upon atypical antipsychotics and other
16 medications commonly used in the treatment of severe and persistent
17 mental illnesses among adults. The project shall promote collaboration
18 among community mental health centers, other major prescribers of
19 atypical antipsychotic medications to adults enrolled in state medical
20 assistance programs, and psychiatrists, pharmacists, and other
21 specialists at the University of Washington department of psychiatry
22 and/or other research universities. The collaboration shall include
23 patient-specific prescriber consultations by psychiatrists and
24 pharmacists specializing in treatment of severe and persistent mental
25 illnesses among adults; production of profiles to assist prescribers
26 and clinics in tracking their prescriptive practices and their
27 patients' medication use and adherence relative to evidence-based
28 practices guidelines, other prescribers, and patients at other clinics;
29 and in-service seminars at which participants can share and increase
30 their knowledge of evidence-based and other effective prescriptive
31 practices. The health care authority shall enter into an interagency
32 agreement with the office of the attorney general for expenditure of
33 \$300,000 of the state's proceeds of the *cy pres* settlement in *State of*
34 *Washington v. AstraZeneca* (Seroquel) for this purpose.

35 ~~((+22))~~ (21) \$570,000 of the general fund--private/local
36 appropriation is provided solely for continued operation of the
37 partnership access line for child mental health consultations. The
38 health care authority shall enter into an interagency agreement with

1 the office of the attorney general for expenditure of \$570,000 of the
2 state's proceeds of the *cy pres* settlement in *State of Washington v.*
3 *AstraZeneca* (Seroquel) for this purpose.

4 ~~((+23))~~ (22) \$80,000 of the general fund--state appropriation for
5 fiscal year 2012, \$80,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$160,000 of the general fund--federal
7 appropriation are provided solely to fund the Tacoma-Pierce county
8 health department for access and outreach activities to reduce infant
9 mortality.

10 ~~((+24))~~ (23) \$75,000 of the general fund--state appropriation for
11 fiscal year 2012, \$75,000 of the general fund--state appropriation for
12 fiscal year 2013, and \$150,000 of the general fund--federal
13 appropriation are provided solely to assist with development and
14 implementation of evidence-based strategies regarding the appropriate,
15 safe, and effective role of C-section surgeries and early induced labor
16 in births and neonatal care. The strategies shall be identified and
17 implemented in consultation with clinical research specialists,
18 physicians, hospitals, advanced registered nurse practitioners, and
19 organizations concerned with maternal and child health.

20 ~~((+25))~~ (24) Within the amounts appropriated in this section, the
21 health care authority shall continue to provide school-based medical
22 services by means of an intergovernmental transfer arrangement. Under
23 the arrangement, the state shall provide forty percent and school
24 districts sixty percent of the nonfederal matching funds required for
25 receipt of federal medicaid funding for the service.

26 ~~((+26))~~ (25) \$263,000 of the general fund--state appropriation for
27 fiscal year 2012, \$88,000 of the general fund--state appropriation for
28 fiscal year 2013, and \$351,000 of the general fund--federal
29 appropriation are provided solely for development and submission to the
30 federal government by October 1, 2011, of a demonstration project
31 proposal as provided in Substitute Senate Bill No. 5596 (medicaid
32 demonstration waiver).

33 ~~((+27))~~ (26) Within the amounts appropriated in this section, the
34 health care authority shall provide spoken-language interpreter
35 services. The authority shall develop and implement a new model for
36 delivery of such services no later than July 1, 2012. The model shall
37 include:

1 (a) Development by the authority in consultation with subject-area
2 experts of guidelines to assist medical practitioners identify the
3 circumstances under which it is appropriate to use telephonic or video-
4 remote interpreting;

5 (b) The requirement that the state contract with delivery
6 organizations, including foreign language agencies, who employ or
7 subcontract only with language access providers or interpreters working
8 in the state who are certified or authorized by the state. When a
9 state-certified or state-authorized in-state language access provider
10 or interpreter is not available, the delivery organization, including
11 foreign language agencies, may use a provider with other certifications
12 or qualifications deemed to meet state standards, including
13 interpreters in other states; and

14 (c) Provision of a secure, web-based tool that medical
15 practitioners will use to schedule appointments for interpreter
16 services and to identify the most appropriate, cost-effective method of
17 service delivery in accordance with the state guidelines.

18 Nothing in this subsection affects the ability of health care
19 providers to provide interpretive services through employed staff or
20 through telephone and video remote technologies when not reimbursed
21 directly by the department. The amounts in this subsection do not
22 include federal administrative funds provided to match nonstate
23 expenditures by local health jurisdictions and governmental hospitals.

24 ~~((+28))~~ (27) In its procurement of contractors for delivery of
25 medical managed care services for nondisabled, nonelderly persons, the
26 medical assistance program shall (a) place substantial emphasis upon
27 price competition in the selection of successful bidders; and (b) not
28 require delivery of any services that would increase the actuarial cost
29 of service beyond the levels included in current healthy options
30 contracts.

31 ~~((+29))~~ (28) \$1,430,000 of the general fund--state appropriation
32 for fiscal year 2012, \$1,430,000 of the general fund--state
33 appropriation for fiscal year 2013, and \$2,860,000 of the general
34 fund--federal appropriation are provided solely to pay
35 federally-designated rural health clinics their standard encounter rate
36 for prenatal and well-child visits, whether delivered under a managed
37 care contract or fee-for-service. In reconciling managed care

1 enhancement payments for calendar years 2009 and 2010, the department
2 shall treat well-child and prenatal care visits as encounters subject
3 to the clinic's encounter rate.

4 ~~((+30+))~~ (29) \$280,000 of the general fund--state appropriation for
5 fiscal year 2012 and \$282,000 of the general fund--federal
6 appropriation are provided solely to increase utilization management of
7 drugs and drug classes for which there is evidence of over-utilization,
8 off-label use, excessive dosing, duplicative therapy, or opportunities
9 to shift utilization to less expensive, equally effective formulations.

10 ~~((+31+))~~ (30) \$70,000 of the general fund--state appropriation for
11 fiscal year 2012, \$70,000 of the general fund--state appropriation for
12 fiscal year 2013, and \$140,000 of the general fund--federal
13 appropriation are provided solely to continue operation by a nonprofit
14 organization of a toll-free hotline that assists families to learn
15 about and enroll in the apple health for kids program.

16 ~~((+32+))~~ (31) \$400,000 of the general fund--state appropriation for
17 fiscal year 2012 and \$400,000 of the general fund--state appropriation
18 for fiscal year 2013 is provided solely for the local outreach, case
19 management, and coordination with dental providers needed to execute
20 the access to baby and child dentistry program, which provides dental
21 care to Medicaid eligible children up to age six.

22 ~~((+33+))~~ (32) Within the amounts appropriated in this section, the
23 health care authority shall continue to provide dental services to
24 pregnant women. Services shall include preventive, routine, and
25 emergent dental care.

26 ~~((+34+))~~ (33) \$395,000 of the general fund--state appropriation for
27 fiscal year 2012, \$395,000 of the general fund--state appropriation for
28 fiscal year 2013, and \$790,000 of the general fund--federal
29 appropriation are provided solely for continued operation of the
30 dental education in care of persons with disabilities (DECOD) program
31 at the University of Washington.

32 ~~((+35+))~~ (34) \$159,000 of the general fund--state appropriation for
33 fiscal year 2012, \$302,000 of the general fund--private/local
34 appropriation, and \$146,072,000 of the general fund--federal
35 appropriation are provided solely for the provider incentive program
36 and other initiatives related to the health information technology
37 Medicaid plan. The general fund--private/local appropriation in this
38 subsection shall be funded with proceeds from settlements in the case

1 of *State of Washington vs. GlaxoSmithKline*. The authority and the
2 office of the attorney general shall enter an interagency agreement
3 regarding use of these funds.

4 ~~((+36+))~~ (35) \$2,926,000 of the general fund--local appropriation
5 and \$2,928,000 of the general fund--federal appropriation are provided
6 solely to support medical airlift services.

7 ~~((+37+))~~ (36) The authority shall collect data on enrollment and
8 utilization to study whether the expansion of family planning coverage
9 under Substitute Senate Bill No. 5912 is reducing state medical
10 expenditures by reducing unwanted pregnancies. The authority shall
11 report its findings to the legislature by December 1, 2012.

12 ~~((+38+))~~ (37) \$480,000 of the general fund--state appropriation for
13 fiscal year 2012, \$480,000 of the general fund--state appropriation for
14 fiscal year 2013, and \$824,000 of the general fund--federal
15 appropriation are provided solely for customer services staff. The
16 authority will attempt to improve the phone answer rate to 40 percent
17 and reduce the response times to written questions to ten days for
18 clients and 25 days for providers. The authority will report to the
19 legislature on its progress toward achieving these goals by January 1,
20 2012. If the authority has not achieved these goals by July 1, 2012,
21 then the authority shall reduce expenditures on management staff in
22 order to increase expenditures on customer service staff until the
23 goals are achieved.

24 ~~((+39+))~~ (38) The department shall purchase a brand name drug when
25 it determines that the cost of the brand name drug after rebates is
26 less than the cost of generic alternatives and that purchase of the
27 brand rather than generic version can save at least \$250,000. The
28 department may purchase generic alternatives when changes in market
29 prices make the price of the brand name drug after rebates more
30 expensive than the generic alternatives.

31 ~~((+41+))~~ (39) \$150,000 of the general fund--state appropriation for
32 fiscal year 2012 and \$1,964,000 of the general fund--state
33 appropriation for fiscal year 2013 are provided solely to implement
34 Engrossed Second Substitute House Bill No. 2319 (affordable care act).
35 If the bill is not enacted by June 30, 2012, the amounts provided in
36 this subsection shall lapse.

37 ~~((+42+))~~ (40) \$1,109,000 of the general fund--state appropriation
38 for fiscal year 2012, \$1,471,000 of the general fund--state

1 appropriation for fiscal year 2013, and \$21,890,000 of the general
2 fund--federal appropriation are provided solely to implement phase two
3 of the project to create a single provider payment system that
4 consolidates medicaid medical and social services payments and replaces
5 the social service payment system.

6 ~~((43))~~ (41) In order to achieve the twelve percent reduction in
7 emergency room expenditures in the fiscal year 2013 appropriations
8 provided in this section, the authority, in consultation with the
9 Washington state hospital association, the Washington state medical
10 association, and the Washington chapter of the American college of
11 emergency physicians shall designate best practices and performance
12 measures to reduce medically unnecessary emergency room visits of
13 medicaid clients. The Washington state hospital association, the
14 Washington state medical association, and the Washington chapter of the
15 American college of emergency physicians will work with the authority
16 to promote these best practices. The best practices and performance
17 measures shall consist of the following items:

18 (a) Adoption of a system to exchange patient information among
19 emergency room departments on a regional or statewide basis;

20 (b) Active dissemination of patient educational materials produced
21 by the Washington state hospital association, Washington state medical
22 association, and the Washington chapter of the American college of
23 emergency physicians that instruct patients on appropriate facilities
24 for nonemergent health care needs;

25 (c) Designation of hospital personnel and emergency room physician
26 personnel to receive and appropriately disseminate information on
27 clients participating in the medicaid patient review and coordination
28 program and to review monthly utilization reports on those clients
29 provided by the authority;

30 (d) A process to assist the authority's patient review and
31 coordination program clients with their care plans. The process must
32 include substantial efforts by hospitals to schedule an appointment
33 with the client's assigned primary care provider within seventy-two
34 hours of the client's medically unnecessary emergency room visit when
35 appropriate under the client's care plan;

36 (e) Implementation of narcotic guidelines that incorporate the
37 Washington chapter of the American college of emergency physician
38 guidelines;

1 (f) Physician enrollment in the state's prescription monitoring
2 program, as long as the program is funded; and

3 (g) Designation of a hospital emergency department physician
4 responsible for reviewing the state's medicaid utilization management
5 feedback reports, which will include defined performance measures. The
6 emergency department physician and hospital will have a process to take
7 appropriate action in response to the information in the feedback
8 reports if performance measures are not met. The authority must
9 develop feedback reports that include timely emergency room utilization
10 data such as visit rates, medically unnecessary visit rates (by
11 hospital and by client), emergency department imaging utilization
12 rates, and other measures as needed. The authority may utilize the
13 Robert Bree collaborative for assistance related to this best practice.

14 The requirements for best practices for a critical access hospital
15 should not include adoption of a system to exchange patient information
16 if doing so would pose a financial burden, and should not include
17 requirements related to the authority's patient review and coordination
18 program if the volume of those patients seen at the critical access
19 hospital are small.

20 Hospitals participating in this medicaid best practices program
21 shall submit to the authority a declaration from executive level
22 leadership indicating hospital adoption of and compliance with the best
23 practices enumerated above. In the declaration, hospitals will affirm
24 that they have in place written policies, procedures, or guidelines to
25 implement these best practices and are willing to share them upon
26 request. The declaration must also give consent for the authority to
27 disclose feedback reports and performance measures on its web site.
28 The authority shall submit a list of declaring hospitals to the
29 relevant policy and fiscal committees of the legislature by July 15,
30 2012.

31 If the authority does not receive by July 1, 2012, declarations
32 from hospitals representing at least seventy-five percent of emergency
33 room visits by medicaid clients in fiscal year 2010, the authority may
34 implement a policy of nonpayment of medically unnecessary emergency
35 room visits, with appropriate client and clinical safeguards such as
36 exemptions and expedited prior authorization. The authority shall by
37 January 15, 2013, perform a preliminary fiscal analysis of trends in
38 implementing the best practices in this subsection, focusing on outlier

1 hospitals with high rates of unnecessary visits by medicaid clients,
2 high emergency room visit rates for patient review and coordination
3 clients, low rates of completion of treatment plans for patient review
4 and coordination clients assigned to the hospital, and high rates of
5 prescribed long-acting opiates. In cooperation with the leadership of
6 the hospital, medical, and emergency physician associations, additional
7 efforts shall be focused on assisting those outlier hospitals and
8 providers to achieve more substantial savings. The authority by
9 January 15, 2013, will report to the legislature about whether assumed
10 savings based on preliminary trend and forecasted data are on target
11 and if additional best practices or other actions need to be
12 implemented.

13 If necessary, pursuant to RCW 34.05.350(1)(c), the authority may
14 employ emergency rulemaking to achieve the reductions assumed in the
15 appropriations under this section.

16 Nothing in this subsection shall in any way impact the authority's
17 ability to adopt and implement policies pertaining to the patient
18 review and coordination program.

19 ~~((46))~~ (42) The department shall seek a medicaid state plan
20 amendment to create a graduate medical education supplemental payment
21 for services delivered to managed care recipients by University of
22 Washington medicine and other public professional providers. This
23 program shall be effective as soon as administratively possible and
24 shall operate concurrently with the existing professional services
25 supplemental payment program. Providers that participate in the
26 graduate medical education supplemental payment program are not
27 eligible to participate in the professional services supplemental
28 payment program. The department shall apply federal rules for
29 identifying the difference between current physician encounter and fee-
30 for-service medicaid payments to participating providers and the
31 applicable federal upper payment limit. Participating providers shall
32 be solely responsible for providing the local funds required to obtain
33 federal matching funds. Any incremental costs incurred by the
34 department in the development, implementation, and maintenance of this
35 program shall be the responsibility of the participating providers.
36 Participating providers shall retain the full amount of supplemental
37 payments provided under this program, net of any costs related to the

1 program that are disallowed due to audits or litigation against the
2 state.

3 ~~((47))~~ (43) The authority shall exclude antiretroviral drugs used
4 to treat HIV/AIDS, anticancer medication that is used to kill or slow
5 the growth of cancerous cells, antihemophilic drugs, insulin and other
6 drugs to lower blood glucose, and immunosuppressive drugs from any
7 formulary limitations implemented to operate within the appropriations
8 provided in this section.

9 ~~((48))~~ (44) If Engrossed Substitute Senate Bill No. 5978
10 (medicaid fraud) is not enacted by June 30, 2012, the amounts
11 appropriated in this section from the medicaid fraud penalty account--
12 state appropriation shall lapse and an additional \$3,608,000 shall be
13 appropriated from the general fund--state for fiscal year 2013 for
14 medicaid services, fraud detection and prevention activities, recovery
15 of improper payments, and for other medicaid fraud enforcement
16 activities.

17 ~~((50))~~ (45) Within the amounts appropriated in this section, the
18 health care authority and the department of social and health services
19 shall implement the state option to provide health homes for enrollees
20 with chronic conditions under section 2703 of the federal affordable
21 care act. The total state match for enrollees who are dually-eligible
22 for both medicare and medicaid and not enrolled in managed care shall
23 be no more than the net savings to the state from the enhanced match
24 rate for its medicaid-only managed care enrollees under section 2703.

25 ~~((51))~~ (46) The health care authority shall not initiate any
26 services that require expenditure of state general fund moneys unless
27 expressly authorized in this act or other law. The health care
28 authority may seek, receive, and spend, under RCW 43.79.260 through
29 43.79.282, federal moneys not anticipated in this act as long as the
30 federal funding does not require expenditure of state moneys for the
31 program in excess of amounts anticipated in this act. If the health
32 care authority receives unanticipated unrestricted federal moneys,
33 those moneys shall be spent for services authorized in this act or in
34 any other legislation providing appropriation authority, and an equal
35 amount of appropriated state general fund moneys shall lapse. Upon the
36 lapsing of any moneys under this subsection, the office of financial
37 management shall notify the legislative fiscal committees. As used in
38 this subsection, "unrestricted federal moneys" includes block grants

1 and other funds that federal law does not require to be spent on
2 specifically defined projects or matched on a formula basis by state
3 funds.

4 ~~((+52+))~~ (47) \$66,000 of the general fund--state appropriation for
5 fiscal year 2013 and \$66,000 of the general fund--federal appropriation
6 are provided solely to implement Engrossed Second Substitute House Bill
7 No. 2536 (children services/delivery). The department of social and
8 health services' programs responsible for administration of mental
9 health, child welfare, and juvenile justice programs will coordinate
10 with the health care authority on the development of contract terms
11 which facilitate efforts to meet requirements of the bill. If the bill
12 is not enacted by June 30, 2012, the amounts provided in this
13 subsection shall lapse.

14 ~~((+53+))~~ (48) The health care authority shall participate in the
15 work group established by the department of corrections in section
16 220(2) of this act to review release options for elderly and infirm
17 offenders.

18 (49) \$25,000 of the general fund--state appropriation for fiscal
19 year 2013 is provided solely for the state share of a skilled third-
20 party mediator to coordinate negotiations and to assist parties in
21 resolving issues related to extension of the hospital safety net
22 assessment.

23 **Sec. 214.** 2012 2nd sp.s. c 7 s 216 (uncodified) is amended to read
24 as follows:

25 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

26	General Fund--State Appropriation (FY 2012)	\$14,589,000
27	General Fund--State Appropriation (FY 2013)	((\$14,147,000))
28		<u>\$14,204,000</u>
29	General Fund--Federal Appropriation	\$456,000
30	General Fund--Private/Local Appropriation	((\$4,048,000))
31		<u>\$3,940,000</u>
32	Death Investigations Account--State Appropriation	\$148,000
33	Municipal Criminal Justice Assistance Account--	
34	State Appropriation	\$460,000
35	Washington Auto Theft Prevention Authority Account--	
36	State Appropriation	\$8,597,000
37	TOTAL APPROPRIATION	((\$42,445,000))

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 2012 and \$5,000,000 of the general fund--state appropriation for fiscal year 2013, 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) \$321,000 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 2012 and \$100,000 of the general fund--state appropriation for fiscal year 2013 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 2012 and \$96,000 of the general fund--state appropriation for fiscal year 2013 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

1 safety personnel. The commission shall provide research-related
2 programs in school safety and security issues beneficial to both law
3 enforcement and schools.

4 (6) \$1,000,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$1,000,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for grants to counties enforcing
7 illegal drug laws and which have been underserved by federally funded
8 state narcotics task forces. The Washington association of sheriffs
9 and police chiefs, the Washington association of prosecuting attorneys,
10 and the Washington association of county officials shall jointly
11 develop funding allocations for the offices of the county sheriff,
12 county prosecutor, and county clerk in qualifying counties. The
13 commission shall not impose an administrative cost on this program.

14 **Sec. 215.** 2012 2nd sp.s. c 7 s 218 (uncodified) is amended to read
15 as follows:

16 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

17 (1) HEADQUARTERS

18	General Fund--State Appropriation (FY 2012)	\$1,829,000
19	General Fund--State Appropriation (FY 2013)	\$1,801,000
20	Charitable, Educational, Penal, and Reformatory	
21	Institutions Account--State Appropriation	\$10,000
22	TOTAL APPROPRIATION	\$3,640,000

23 (2) FIELD SERVICES

24	General Fund--State Appropriation (FY 2012)	\$5,002,000
25	General Fund--State Appropriation (FY 2013)	\$4,964,000
26	General Fund--Federal Appropriation	\$3,348,000
27	General Fund--Private/Local Appropriation	(\$4,722,000)
28		<u>\$5,172,000</u>
29	Veterans Innovations Program Account--State	
30	Appropriation	\$810,000
31	Veteran Estate Management Account--Private/Local	
32	Appropriation	\$1,079,000
33	TOTAL APPROPRIATION	(\$19,925,000)
34		<u>\$20,375,000</u>

35 The appropriations in this subsection are subject to the following
36 conditions and limitations: \$821,000 of the veterans innovations
37 program account--state appropriation is provided solely for the

1 department to continue support for returning combat veterans through
2 the veterans innovation program, including emergency financial
3 assistance through the defenders' fund and long-term financial
4 assistance through the competitive grant program.

5 (3) INSTITUTIONAL SERVICES

6	General Fund--State Appropriation (FY 2012)	\$1,743,000
7	<u>General Fund--State Appropriation (FY 2013)</u>	<u>\$1,858,000</u>
8	General Fund--Federal Appropriation	((\$61,437,000))
9		<u>\$58,996,000</u>
10	General Fund--Private/Local Appropriation	((\$29,506,000))
11		<u>\$30,089,000</u>
12	TOTAL APPROPRIATION	((\$92,686,000))
13		<u>\$92,686,000</u>

14 **Sec. 216.** 2012 2nd sp.s. c 7 s 219 (uncodified) is amended to read
15 as follows:

16 **FOR THE DEPARTMENT OF HEALTH**

17	General Fund--State Appropriation (FY 2012)	\$79,404,000
18	General Fund--State Appropriation (FY 2013)	((\$78,114,000))
19		<u>\$77,589,000</u>
20	General Fund--Federal Appropriation	((\$553,078,000))
21		<u>\$573,078,000</u>
22	General Fund--Private/Local Appropriation	((\$148,055,000))
23		<u>\$144,055,000</u>
24	Hospital Data Collection Account--State Appropriation	\$214,000
25	Health Professions Account--State Appropriation	\$99,085,000
26	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
27	Emergency Medical Services and Trauma Care Systems	
28	Trust Account--State Appropriation	((\$12,300,000))
29		<u>\$10,523,000</u>
30	Safe Drinking Water Account--State Appropriation	\$4,464,000
31	Drinking Water Assistance Account--Federal	
32	Appropriation	\$21,965,000
33	Waterworks Operator Certification--State	
34	Appropriation	\$1,528,000
35	Drinking Water Assistance Administrative Account--	
36	State Appropriation	\$326,000
37	Site Closure Account--State Appropriation	\$79,000

1	Biotoxin Account--State Appropriation	((\$1,167,000))
2		<u>\$1,231,000</u>
3	State Toxics Control Account--State Appropriation	\$3,628,000
4	Medical Test Site Licensure Account--State	
5	Appropriation	\$2,311,000
6	Youth Tobacco Prevention Account--State	
7	Appropriation	((\$1,512,000))
8		<u>\$1,348,000</u>
9	Community and Economic Development Fee Account--State	
10	Appropriation	\$298,000
11	Public Health Supplemental Account--Private/Local	
12	Appropriation	\$3,598,000
13	Accident Account--State Appropriation	\$295,000
14	Medical Aid Account--State Appropriation	\$50,000
15	Tobacco Prevention and Control Account--State	
16	Appropriation	\$1,729,000
17	TOTAL APPROPRIATION	((\$1,013,804,000))
18		<u>\$1,027,402,000</u>

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

21 (1) The department of health shall not initiate any services that
22 will require expenditure of state general fund moneys unless expressly
23 authorized in this act or other law. The department of health and the
24 state board of health shall not implement any new or amended rules
25 pertaining to primary and secondary school facilities until the rules
26 and a final cost estimate have been presented to the legislature, and
27 the legislature has formally funded implementation of the rules through
28 the omnibus appropriations act or by statute. The department may seek,
29 receive, and spend, under RCW 43.79.260 through 43.79.282, federal
30 moneys not anticipated in this act as long as the federal funding does
31 not require expenditure of state moneys for the program in excess of
32 amounts anticipated in this act. If the department receives
33 unanticipated unrestricted federal moneys, those moneys shall be spent
34 for services authorized in this act or in any other legislation that
35 provides appropriation authority, and an equal amount of appropriated
36 state moneys shall lapse. Upon the lapsing of any moneys under this
37 subsection, the office of financial management shall notify the
38 legislative fiscal committees. As used in this subsection,

1 "unrestricted federal moneys" includes block grants and other funds
2 that federal law does not require to be spent on specifically defined
3 projects or matched on a formula basis by state funds.

4 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
5 is authorized to establish and raise fees in fiscal year 2012 as
6 necessary to meet the actual costs of conducting business and the
7 appropriation levels in this section. This authorization applies to
8 fees required for: The review of health care facility construction;
9 review of health facility requests for certificate of need; the
10 regulation and inspection of farm worker housing, hospital licensing,
11 in-home health service agencies, and producers of radioactive waste;
12 the regulation and inspection of shellfish sanitary control, surgical
13 facility licensing, and; fees associated with the following
14 professions: Dietitians and nutritionists, occupational therapists,
15 pharmacy, veterinarian, orthotics and prosthetics, surgical
16 technicians, nursing home administrators, health care assistants,
17 hearing and speech, psychology, hypnotherapy, chiropractic, social
18 workers, physicians, and physician assistants.

19 (3) Pursuant to RCW 18.130.250, the department is authorized to
20 establish a lower cost fee category for retired licensed practical
21 nurses and registered nurses.

22 (4) In accordance with RCW 43.135.055, the department is authorized
23 to adopt fees set forth in and previously authorized in chapter 92,
24 Laws of 2010.

25 (5) \$1,969,000 of the health professions account--state
26 appropriation is provided solely to implement online licensing for
27 health care providers. The department must submit a detailed
28 investment plan for this project to the office of financial management.
29 The office of financial management must review and approve this plan
30 before funding may be expended. The department of health must
31 successfully implement online application and renewal for at least one
32 profession as a pilot project before pursuing additional professions.
33 The department must report to the office of financial management on the
34 outcome of the pilot project.

35 (6) \$16,000 of the health professions account--state appropriation
36 is provided solely for the implementation of House Bill No. 1181 (board
37 of naturopathy). If the bill is not enacted by June 30, 2011, the
38 amount provided in this subsection shall lapse.

1 (7) \$21,000 of the health professions account--state appropriation
2 is provided solely for the implementation of Substitute House Bill No.
3 1304 (health care assistants). If the bill is not enacted by June 30,
4 2011, the amount provided in this subsection shall lapse.

5 (8) \$54,000 of the health professions account--state appropriation
6 is provided solely for the implementation of House Bill No. 1353
7 (pharmacy technicians). If the bill is not enacted by June 30, 2011,
8 the amount provided in this subsection shall lapse.

9 (9) \$142,000 of the health professions account--state appropriation
10 is provided solely for the implementation of Engrossed Substitute
11 Senate Bill No. 5020 (social workers). If the bill is not enacted by
12 June 30, 2011, the amount provided in this subsection shall lapse.

13 (10) \$336,000 of the health professions account--state
14 appropriation is provided solely for the implementation of Senate Bill
15 No. 5480 (physicians and physician assistants). If the bill is not
16 enacted by June 30, 2011, the amount provided in this subsection shall
17 lapse.

18 (11) \$46,000 of the health professions account--state appropriation
19 is provided solely for the implementation of Substitute Senate Bill No.
20 5071 (online access for midwives and marriage and family therapists).
21 If the bill is not enacted by June 30, 2011, the amount provided in
22 this subsection shall lapse.

23 (12) \$137,000 of the health professions account--state
24 appropriation is provided solely for implementation of Substitute House
25 Bill No. 1133 (massage practitioner license). If the bill is not
26 enacted by June 30, 2011, the amount provided in this subsection shall
27 lapse.

28 (13) \$85,000 of the general fund--state appropriation for fiscal
29 year 2012 is provided solely for the developmental disabilities council
30 to contract for a family-to-family mentor program to provide
31 information and support to families and guardians of persons who are
32 transitioning out of residential habilitation centers. To the maximum
33 extent allowable under federal law, these funds shall be matched under
34 medicaid through the department of social and health services and
35 federal funds shall be transferred to the department for the purposes
36 stated in this subsection. If Second Substitute Senate Bill No. 5459
37 (people with developmental disabilities) is not enacted by June 30,
38 2011, the amounts provided in this subsection shall lapse.

1 (14) \$57,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$58,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the midwifery licensure and
4 regulatory program to offset a reduction in revenue from fees. There
5 shall be no change to the current annual fees for new or renewed
6 licenses for the midwifery program, except from online access to HEAL-
7 WA. The department shall convene the midwifery advisory committee on
8 a quarterly basis to address issues related to licensed midwifery.

9 (15) \$118,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$118,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for prevention of youth suicides.

12 (16) \$87,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$87,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for the senior falls prevention
15 program.

16 (17) \$19,000 of the health professions account--state appropriation
17 is provided solely for implementation of Senate Bill No. 6290 (military
18 spouses and partners). If the bill is not enacted by June 30, 2012,
19 the amount provided in this subsection shall lapse.

20 (18) \$102,000 of the health professions account--state
21 appropriation is provided solely for implementation of Engrossed
22 Substitute Senate Bill No. 6237 (career pathway/medical assistants).
23 If the bill is not enacted by June 30, 2012, the amount provided in
24 this subsection shall lapse.

25 (19) \$21,000 of the health professions account--state appropriation
26 is provided solely for implementation of Substitute Senate Bill No.
27 6328 (mental health professionals). If the bill is not enacted by June
28 30, 2012, the amount provided in this subsection shall lapse.

29 (20) \$61,000 of the health professions account--state appropriation
30 is provided solely for implementation of Engrossed Substitute Senate
31 Bill No. 6103 (reflexologists). If the bill is not enacted by June 30,
32 2012, the amount provided in this subsection shall lapse.

33 (21) \$28,000 of the health professions account--state appropriation
34 is provided solely for implementation of Engrossed Second Substitute
35 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is
36 not enacted by June 30, 2012, the amount provided in this subsection
37 shall lapse.

1 (22) Appropriations for fiscal year 2013 include funding for
2 consolidation of the department of ecology's low-level radioactive
3 waste site use permit program in the department of health.

4 (23) During the remainder of the 2011-2013 fiscal biennium, each
5 person subject to RCW 43.70.110(3)(c) is required to pay only one
6 surcharge of up to twenty-five dollars annually for the purposes of RCW
7 43.70.112, regardless of how many professional licenses the person
8 holds.

9 (24) \$15,000 of the health professions account--state appropriation
10 is provided solely to implement Substitute House Bill No. 2056
11 (assisted living facilities). If the bill is not enacted by June 30,
12 2012, the amount provided in this subsection shall lapse.

13 (25) \$11,000 of the health professions account--state appropriation
14 is provided solely to implement Engrossed House Bill No. 2186 (licensed
15 midwives). If the bill is not enacted by June 30, 2012, the amount
16 provided in this subsection shall lapse.

17 (26) \$11,000 of the general fund--state appropriation for fiscal
18 year 2013 is provided solely to implement Engrossed Substitute House
19 Bill No. 2229 (hospital employees). If the bill is not enacted by June
20 30, 2012, the amount provided in this subsection shall lapse.

21 (27) \$48,000 of the health professions account--state appropriation
22 is provided solely to implement Engrossed Substitute House Bill No.
23 2314 (long-term care workers). If the bill is not enacted by June 30,
24 2012, the amount provided in this subsection shall lapse.

25 (28) \$280,000 of the health professions account--state
26 appropriation is provided solely to implement Engrossed Substitute
27 House Bill No. 2366 (suicide assessment and training). If the bill is
28 not enacted by June 30, 2012, the amounts provided in this subsection
29 shall lapse.

30 (29) \$11,000 of the general fund--state appropriation for fiscal
31 year 2013 is provided solely to implement Engrossed Substitute House
32 Bill No. 2582 (health care services billing). If the bill is not
33 enacted by June 30, 2012, the amount provided in this subsection shall
34 lapse.

35 (30) \$22,000 of the general fund--state appropriation for fiscal
36 year 2013 is provided solely to implement Substitute Senate Bill No.
37 6105 (prescription monitoring program). If the bill is not enacted by
38 June 30, 2012, the amount provided in this subsection shall lapse.

1 (31) \$30,000 of the health professions account--state appropriation
2 is provided solely for implementation of Engrossed Substitute House
3 Bill No. 2473 (medication assistant endorsement). If the bill is not
4 enacted by June 30, 2012, the amount provided in this subsection shall
5 lapse.

6 (32) General fund--state appropriations for fiscal year 2013
7 includes funding to subsidize operating license and inspection fees in
8 the temporary worker housing program. In implementing this subsidy,
9 the department shall evaluate program regulations including but not
10 limited to the use of occupancy levels to determine the fee structure
11 and the frequency of inspections.

12 **Sec. 217.** 2012 2nd sp.s. c 7 s 220 (uncodified) is amended to read
13 as follows:

14 **FOR THE DEPARTMENT OF CORRECTIONS**

15 The appropriations to the department of corrections in this act
16 shall be expended for the programs and in the amounts specified in this
17 section. However, after May 1, (~~2012~~) 2013, after approval by the
18 director of financial management and unless specifically prohibited by
19 this act, the department may transfer general fund--state
20 appropriations for fiscal year (~~2012~~) 2013 between programs. The
21 department shall not transfer funds, and the director of financial
22 management shall not approve the transfer, unless the transfer is
23 consistent with the objective of conserving, to the maximum extent
24 possible, the expenditure of state funds. The director of financial
25 management shall notify the appropriate fiscal committees of the senate
26 and house of representatives in writing seven days prior to approving
27 any deviations from appropriation levels. The written notification
28 shall include a narrative explanation and justification of the changes,
29 along with expenditures and allotments by budget unit and
30 appropriation, both before and after any allotment modifications or
31 transfers.

32 (1) ADMINISTRATION AND SUPPORT SERVICES

33 General Fund--State Appropriation (FY 2012)	\$52,025,000
34 General Fund--State Appropriation (FY 2013)	((\$52,981,000))
	<u>\$53,206,000</u>
36 TOTAL APPROPRIATION	((\$105,006,000))
	<u>\$105,231,000</u>

37

1 The appropriations in this subsection are subject to the following
 2 conditions and limitations: \$35,000 of the general fund--state
 3 appropriation for fiscal year 2012 and \$35,000 of the general fund--
 4 state appropriation for fiscal year 2013 are provided solely for the
 5 support of a statewide council on mentally ill offenders that includes
 6 as its members representatives of community-based mental health
 7 treatment programs, current or former judicial officers, and directors
 8 and commanders of city and county jails and state prison facilities.
 9 The council will investigate and promote cost-effective approaches to
 10 meeting the long-term needs of adults and juveniles with mental
 11 disorders who have a history of offending or who are at-risk of
 12 offending, including their mental health, physiological, housing,
 13 employment, and job training needs.

14 (2) CORRECTIONAL OPERATIONS

15	General Fund--State Appropriation (FY 2012)	\$598,237,000
16	General Fund--State Appropriation (FY 2013)	(\$575,457,000)
17		<u>\$582,212,000</u>
18	General Fund--Federal Appropriation	\$3,324,000
19	Washington Auto Theft Prevention Authority Account--	
20	State Appropriation	\$14,079,000
21	Enhanced 911 Account--State Appropriation	\$2,000,000
22	TOTAL APPROPRIATION	(\$1,193,097,000)
23		<u>\$1,199,852,000</u>

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

26 (a) During the 2011-13 biennium, when contracts are established or
 27 renewed for offender pay phone and other telephone services provided to
 28 inmates, the department shall select the contractor or contractors
 29 primarily based on the following factors: (i) The lowest rate charged
 30 to both the inmate and the person paying for the telephone call; and
 31 (ii) the lowest commission rates paid to the department, while
 32 providing reasonable compensation to cover the costs of the department
 33 to provide the telephone services to inmates and provide sufficient
 34 revenues for the activities funded from the institutional welfare
 35 betterment account.

36 (b) The Harborview medical center and the University of Washington
 37 medical center shall provide inpatient and outpatient hospital services

1 to offenders confined in department of corrections facilities at a rate
2 no greater than the average rate that the department has negotiated
3 with other community hospitals in Washington state.

4 (c) \$102,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$102,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely to implement House Bill No. 1290
7 (health care employee overtime). If the bill is not enacted by June
8 30, 2011, the amounts provided in this subsection shall lapse.

9 (d) \$32,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$33,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely to implement Substitute House Bill
12 No. 1718 (offenders with developmental disabilities). If the bill is
13 not enacted by June 30, 2011, the amounts provided in this subsection
14 shall lapse.

15 (e) The department of corrections shall contract with local and
16 tribal governments for the provision of jail capacity to house
17 offenders. A contract shall not have a cost of incarceration in excess
18 of \$85 per day per offender. A contract shall not have a year-to-year
19 increase in excess of three percent per year. The contracts may
20 include rates for the medical care of offenders which exceed the daily
21 cost of incarceration and the limitation on year-to-year increase,
22 provided that medical payments conform to the department's offender
23 health plan, pharmacy formulary, and all off-site medical expenses are
24 preapproved by department utilization management staff.

25 (f) \$311,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely for implementation of House Bill No. 2346
27 (correctional officer uniforms). If the bill is not enacted by June
28 30, 2012, the amount provided in this subsection shall lapse.

29 (g) \$41,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$165,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for the department to maintain the
32 facility, property, and assets at the institution formerly known as the
33 maple lane school in Rochester. The department may not house
34 incarcerated offenders at the maple lane site until specifically
35 directed by the legislature. By November 1, 2012, the department shall
36 report to the appropriate fiscal committees of the house of
37 representatives and the senate with a plan for the future use of the
38 facility.

1 (h) By December 1, 2012, the department shall provide to the
2 legislative fiscal committees a report that evaluates health care
3 expenditures in Washington state correctional institutions and makes
4 recommendations for controlling health care costs. The report shall
5 evaluate the source of health care costs, including offender health
6 issues, use of pharmaceuticals, offsite and specialist medical care,
7 chronic disease costs, and mental health issues. The department may
8 include information from other states on cost control in offender
9 health care, trends in offender health care that indicate potential
10 cost increases, and management of high-cost diagnoses.

11 (i) The department shall convene a work group to develop health
12 care cost containment strategies at local jail facilities. The work
13 group shall identify cost containment strategies in place at the
14 department and at local jail facilities, identify the costs and
15 benefits of implementing strategies in jail health-care facilities, and
16 make recommendations on implementing beneficial strategies. The work
17 group shall submit a report on its findings and recommendations to the
18 fiscal committees of the legislature by October 1, 2013. The work
19 group shall include jail administrators, representatives from health
20 care facilities at the local jail level and the state prisons level,
21 and other representatives as deemed necessary.

22 (j) The department of corrections, with participation of the health
23 care authority and the department of social and health services, aging
24 and adult services administration, shall establish a work group to
25 analyze and review release options for elderly and infirm offenders and
26 submit recommendations to the appropriate policy and fiscal committees
27 of the legislature with release options for these populations no later
28 than December 1, 2012. In making its recommendations, the work group
29 shall identify:

30 (i) The most expensive medical conditions for which the department
31 has had to treat its offenders and the offenders receiving the most
32 costly ongoing medical treatments;

33 (ii) For identified populations, the age, level of disability, cost
34 of care while incarcerated, safety issues related to release, ease of
35 placement, and time served in relation to the offender's sentence;

36 (iii) Potential cost savings to the state that may be generated by
37 the early release of elderly and infirm offenders;

1 (iv) Housing options to expedite the release of aging and infirm
2 offenders while maintaining the safety of housing providers, other
3 housing residents, and the general public; and

4 (v) Optimal procedures for reviewing offenders on a case-by-case
5 basis to ensure that the interests of justice and public safety are
6 considered in any early release decision.

7 (3) COMMUNITY SUPERVISION

8	General Fund--State Appropriation (FY 2012)	\$127,121,000
9	General Fund--State Appropriation (FY 2013)	(\$128,494,000)
10		<u>\$129,202,000</u>
11	Federal Narcotics Forfeiture Account--Federal	
12	Appropriation	\$372,000
13	Controlled Substances Account--State	
14	Appropriation	\$32,000
15	TOTAL APPROPRIATION	(\$256,019,000)
16		<u>\$256,727,000</u>

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

19 (a) \$875,000 of the general fund--state appropriation for fiscal
20 year 2012 is provided solely to implement Engrossed Substitute House
21 Bill No. 5891 (criminal justice cost savings). If the bill is not
22 enacted by June 30, 2011, the amount provided in this subsection shall
23 lapse.

24 (b) \$6,362,000 of the general fund--state appropriation for fiscal
25 year 2013 is provided solely to implement an evidence-based risk-needs-
26 responsivity model for community supervision of offenders.

27 (4) CORRECTIONAL INDUSTRIES

28	General Fund--State Appropriation (FY 2012)	\$2,513,000
29	General Fund--State Appropriation (FY 2013)	\$2,431,000
30	TOTAL APPROPRIATION	\$4,944,000

31 The appropriations in this subsection are subject to the following
32 conditions and limitations: \$66,000 of the general fund--state
33 appropriation for fiscal year 2012 is provided solely for transfer to
34 the jail industries board. The board shall use the amounts provided
35 only for administrative expenses, equipment purchases, and technical
36 assistance associated with advising cities and counties in developing,

1 promoting, and implementing consistent, safe, and efficient offender
2 work programs.

3 (5) INTERAGENCY PAYMENTS

4	General Fund--State Appropriation (FY 2012)	\$35,821,000
5	General Fund--State Appropriation (FY 2013)	(\$27,264,000)
6		<u>\$27,539,000</u>
7	TOTAL APPROPRIATION	(\$63,085,000)
8		<u>\$63,360,000</u>

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

11 (a) The state prison institutions may use funds appropriated in
12 this subsection to rent uniforms from correctional industries in
13 accordance with existing legislative mandates.

14 (b) The state prison medical facilities may use funds appropriated
15 in this subsection to purchase goods and supplies through hospital or
16 other group purchasing organizations when it is cost effective to do
17 so.

18 (c) The department shall reduce payments to the department of
19 information services or its successor by \$213,000 in fiscal year 2012
20 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall
21 be related to the elimination of the offender base tracking system,
22 including moving remaining portions of the offender base tracking
23 system into the offender management network information system.

24 **Sec. 218.** 2012 2nd sp.s. c 7 s 221 (uncodified) is amended to read
25 as follows:

26 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

27	General Fund--State Appropriation (FY 2012)	\$2,159,000
28	General Fund--State Appropriation (FY 2013)	\$2,131,000
29	General Fund--Federal Appropriation	(\$19,239,000)
30		<u>\$19,739,000</u>
31	General Fund--Private/Local Appropriation	(\$30,000)
32		<u>\$105,000</u>
33	TOTAL APPROPRIATION	(\$23,559,000)
34		<u>\$24,134,000</u>

(End of part)

PART III
NATURAL RESOURCES

Sec. 301. 2012 2nd sp.s. c 7 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund--State Appropriation (FY 2012)	\$8,955,000
General Fund--State Appropriation (FY 2013)	\$8,379,000
General Fund--Federal Appropriation	\$5,905,000
Winter Recreation Program Account--State Appropriation	(\$1,759,000)
	<u>\$2,034,000</u>
ORV and Nonhighway Vehicle Account--State Appropriation	\$224,000
Snowmobile Account--State Appropriation	\$4,844,000
Aquatic Lands Enhancement Account--State Appropriation	\$4,363,000
Parks Renewal and Stewardship Account--State Appropriation	\$106,505,000
Parks Renewal and Stewardship Account--Private/Local Appropriation	\$300,000
TOTAL APPROPRIATION	(\$141,234,000)
	<u>\$141,509,000</u>

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

(1) \$8,876,000 of the general fund--state appropriation for fiscal year 2012, \$8,300,000 of the general fund--state appropriation for fiscal year 2013, and \$4,000,000 of the aquatic lands enhancement account--state appropriation are provided solely to operate and maintain state parks as the commission implements a new fee structure. The goal of this structure is to make the parks system self-supporting. By August 1, 2012, state parks must submit a report to the office of financial management detailing its progress toward this goal and outlining any additional statutory changes needed for successful implementation.

(2) \$79,000 of the general fund--state appropriation for fiscal year 2012 and \$79,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for a grant for the operation of
2 the Northwest avalanche center.

3 (3) \$44,528,000 of the parks renewal and stewardship account--state
4 appropriation is provided solely for implementation of Second
5 Substitute Senate Bill No. 5622 (state land recreation access). If the
6 bill is not enacted by June 30, 2011, the amount provided in this
7 subsection shall lapse.

8 (4) Prior to closing any state park, the commission must notify all
9 affected local governments and relevant nonprofit organizations of the
10 intended closure and provide an opportunity for the notified local
11 governments and nonprofit organizations to elect to acquire, or enter
12 into, a maintenance and operating contract with the commission that
13 would allow the park to remain open.

14 (5) The state parks and recreation commission, in cooperation with
15 the Fort Worden lifelong learning center public development authority
16 authorized under RCW 35.21.730 shall provide a report to the governor
17 and appropriate committees of the legislature no later than October 15,
18 2012, to create a lifelong learning center at Fort Worden state park.
19 This plan shall support and be based upon the Fort Worden state park
20 long-range plan adopted by the state parks and recreation commission in
21 September 2008. The report shall include a business and governance
22 plan and supporting materials that provide options and recommendations
23 on the long-term governance of Fort Worden state park, including
24 building maintenance and restoration. While the commission may
25 transfer full or partial operations to the public development authority
26 the state shall retain title to the property. The state parks and
27 recreation commission and the public development authority will agree
28 on the scope and content of the report including the business and
29 governance plan. In preparing this report the state parks and
30 recreation commission and the public development authority shall
31 provide ample opportunity for the public and stakeholders to
32 participate in the development of the business and governance plan.
33 The state parks and recreation commission shall review the report and
34 if it is consistent with the 2008 Fort Worden state park long-range
35 plan shall take action on a long-term governance and business plan no
36 later than December 31, 2012.

37 (6) Within the appropriations contained in this section, the
38 commission shall review the removal of trees from Brooks memorial state

1 park that have been killed or damaged by fire in order to determine the
2 recovery value from the sale of any timber that is surplus to the needs
3 of the park. The commission shall remove such trees, if the commission
4 determines that the recovery value from the sale of any timber is at
5 least cost neutral and the removal is in a manner consistent with RCW
6 79A.05.035.

7 **Sec. 302.** 2012 2nd sp.s. c 7 s 307 (uncodified) is amended to read
8 as follows:

9 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

10	General Fund--State Appropriation (FY 2012)	\$34,098,000
11	General Fund--State Appropriation (FY 2013)	((23,618,000))
12		<u>\$26,091,000</u>
13	General Fund--Federal Appropriation	((105,481,000))
14		<u>\$105,725,000</u>
15	General Fund--Private/Local Appropriation	((56,923,000))
16		<u>\$57,107,000</u>
17	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation	((12,113,000))
20		<u>\$12,125,000</u>
21	Recreational Fisheries Enhancement--State	
22	Appropriation	((2,794,000))
23		<u>\$2,809,000</u>
24	Warm Water Game Fish Account--State Appropriation . . .	((2,841,000))
25		<u>\$2,842,000</u>
26	Eastern Washington Pheasant Enhancement Account--State	
27	Appropriation	\$849,000
28	Aquatic Invasive Species Enforcement Account--State	
29	Appropriation	\$204,000
30	Aquatic Invasive Species Prevention Account--State	
31	Appropriation	\$848,000
32	State Wildlife Account--State Appropriation	((100,742,000))
33		<u>\$95,301,000</u>
34	Special Wildlife Account--State Appropriation	\$2,382,000
35	Special Wildlife Account--Federal Appropriation	\$500,000
36	Special Wildlife Account--Private/Local Appropriation . . .	\$3,415,000
37	Wildlife Rehabilitation Account--State Appropriation	\$259,000

1	Regional Fisheries Enhancement Salmonid Recovery	
2	Account--Federal Appropriation	\$5,001,000
3	Oil Spill Prevention Account--State Appropriation	\$883,000
4	Oyster Reserve Land Account--State Appropriation	\$919,000
5	Recreation Resources Account--State Appropriation	\$3,300,000
6	Hydraulic Project Approval Account--State Appropriation	\$337,000
7	TOTAL APPROPRIATION	(\$357,900,000)
8		<u>\$355,386,000</u>

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

11 (1) \$294,000 of the aquatic lands enhancement account--state
12 appropriation is provided solely for the implementation of hatchery
13 reform recommendations defined by the hatchery scientific review group.

14 (2) \$355,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$355,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the department to continue a
17 pilot project with the Confederated Tribes of the Colville Reservation
18 to develop expanded recreational fishing opportunities on Lake Rufus
19 Woods and its northern shoreline and to conduct joint enforcement of
20 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
21 state and tribal intergovernmental agreements developed under the
22 Columbia River water supply program. For the purposes of the pilot
23 project:

24 (a) A fishing permit issued to a nontribal member by the Colville
25 Tribes shall satisfy the license requirement of RCW 77.32.010 on the
26 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

27 (b) The Colville Tribes have agreed to provide to holders of its
28 nontribal member fishing permits a means to demonstrate that fish in
29 their possession were lawfully taken in Lake Rufus Woods;

30 (c) A Colville tribal member identification card shall satisfy the
31 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

32 (d) The department and the Colville Tribes shall jointly designate
33 fishing areas on the north shore of Lake Rufus Woods for the purposes
34 of enhancing access to the recreational fisheries on the lake; and

35 (e) The Colville Tribes have agreed to recognize a fishing license
36 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal

1 member fishing permit requirements of Colville tribal law on the
2 reservation portion of the waters of Lake Rufus Woods and at designated
3 fishing areas on the north shore of Lake Rufus Woods;

4 (3) Prior to submitting its 2013-2015 biennial operating and
5 capital budget request related to state fish hatcheries to the office
6 of financial management, the department shall contract with the
7 hatchery scientific review group (HSRG) to review this request. This
8 review shall: (a) Determine if the proposed requests are consistent
9 with HSRG recommendations; (b) prioritize the components of the
10 requests based on their contributions to protecting wild salmonid
11 stocks and meeting the recommendations of the HSRG; and (c) evaluate
12 whether the proposed requests are being made in the most cost effective
13 manner. The department shall provide a copy of the HSRG review to the
14 office of financial management with their agency budget proposal.

15 (4) \$400,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$400,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for a state match to support the
18 Puget Sound nearshore partnership between the department and the U.S.
19 army corps of engineers.

20 (5) \$50,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$50,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for removal of derelict gear in
23 Washington waters.

24 (6) \$100,000 of the eastern Washington pheasant enhancement
25 account--state appropriation is provided solely for the department to
26 support efforts to enhance permanent and temporary pheasant habitat on
27 public and private lands in Grant, Franklin, and Adams counties. The
28 department may support efforts by entities including conservation
29 districts, nonprofit organizations, and landowners, and must require
30 such entities to provide significant nonstate matching resources, which
31 may be in the form of funds, material, or labor.

32 (7) Within the amounts appropriated in this section, the department
33 shall identify additional opportunities for partnerships in order to
34 keep fish hatcheries operational. Such partnerships shall aim to
35 maintain fish production and salmon recovery with less reliance on
36 state operating funds.

37 (8) By September 1, 2011, the department shall update its
38 interagency agreement dated September 30, 2010, with the department of

1 natural resources concerning land management services on the department
2 of fish and wildlife's wildlife conservation and recreation lands. The
3 update shall include rates and terms for services.

4 (9) Prior to opening game management unit 490 to public hunting,
5 the department shall complete an environmental impact statement that
6 includes an assessment of how public hunting activities will impact the
7 ongoing protection of the public water supply.

8 (10) \$18,514,000 of the state wildlife account--state appropriation
9 is provided solely for the implementation of Second Substitute Senate
10 Bill No. 5385 (state wildlife account). If the bill is not enacted by
11 June 30, 2011, the amount provided in this subsection shall lapse.

12 (11) (~~(\$9,418,000)~~) \$3,764,000 of the state wildlife account--state
13 appropriation is provided solely for the implementation of Second
14 Substitute Senate Bill No. 5622 (state land recreation access). If the
15 bill is not enacted by June 30, 2011, the amount provided in this
16 subsection shall lapse.

17 (12) \$50,000 of the state wildlife account--state appropriation is
18 provided solely for mitigation, claims, and assessment costs for injury
19 or loss of livestock caused by wolves, black bears, and cougars.

20 (13) \$552,000 of the aquatic lands enhancement account--state
21 appropriation is provided solely for increased law enforcement capacity
22 to reduce the occurrence of geoduck poaching and illegal harvest
23 activities. With these additional funds, the department shall deploy
24 two new fish and wildlife officers and one detective within Puget Sound
25 to address on-the-water and marketplace geoduck harvest compliance.

26 (14) \$337,000 of the hydraulic project approval--state
27 appropriation is provided solely for the implementation of Second
28 Engrossed Substitute Senate Bill No. 6406 (state natural resources).
29 If the bill is not enacted by June 30, 2012, the amount provided in
30 this subsection shall lapse.

31 **Sec. 303.** 2012 2nd sp.s. c 7 s 308 (uncodified) is amended to read
32 as follows:

33 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

34	General Fund--State Appropriation (FY 2012)	\$30,907,000
35	General Fund--State Appropriation (FY 2013)	((\$35,791,000))
36		<u>\$69,491,000</u>
37	General Fund--Federal Appropriation	\$27,873,000

1	General Fund--Private/Local Appropriation	\$2,372,000
2	Forest Development Account--State Appropriation	(\$46,254,000)
3		<u>\$44,116,000</u>
4	ORV and Nonhighway Vehicle Account--State	
5	Appropriation	\$4,373,000
6	Surveys and Maps Account--State Appropriation	\$2,118,000
7	Aquatic Lands Enhancement Account--State	
8	Appropriation	\$69,000
9	Resources Management Cost Account--State	
10	Appropriation	\$90,131,000
11	Surface Mining Reclamation Account--State	
12	Appropriation	\$3,467,000
13	Disaster Response Account--State Appropriation	\$5,000,000
14	Forest and Fish Support Account--State Appropriation	\$9,784,000
15	Aquatic Land Dredged Material Disposal Site	
16	Account--State Appropriation	\$838,000
17	Natural Resources Conservation Areas Stewardship	
18	Account--State Appropriation	\$34,000
19	State Toxics Control Account--State Appropriation	\$80,000
20	Air Pollution Control Account--State Appropriation	\$540,000
21	NOVA Program Account--State Appropriation	\$635,000
22	Derelict Vessel Removal Account--State Appropriation	\$1,761,000
23	Agricultural College Trust Management Account--State	
24	Appropriation	\$1,848,000
25	Forest Practices Application Account--State Appropriation	\$780,000
26	Marine Resources Stewardship Trust Account--State	
27	Appropriation	\$2,100,000
28	TOTAL APPROPRIATION	(\$262,782,000)
29		<u>\$298,317,000</u>

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

32 (1) \$710,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$915,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for deposit into the agricultural
35 college trust management account and are provided solely to manage
36 approximately 70,700 acres of Washington State University's
37 agricultural college trust lands.

1 (2) \$8,030,000 of the general fund--state appropriation for fiscal
2 year 2012, (~~(\$10,037,000)~~) \$43,737,000 of the general fund--state
3 appropriation for fiscal year 2013, and \$5,000,000 of the disaster
4 response account--state appropriation are provided solely for emergency
5 fire suppression. None of the general fund and disaster response
6 account amounts provided in this subsection may be used to fund agency
7 indirect and administrative expenses. Agency indirect and
8 administrative costs shall be allocated among the agency's remaining
9 accounts and appropriations. The department of natural resources shall
10 submit a quarterly report to the office of financial management and the
11 legislative fiscal committees detailing information on current and
12 planned expenditures from the disaster response account. This work
13 shall be done in coordination with the military department.

14 (3) \$4,500,000 of the forest and fish support account--state
15 appropriation is provided solely for outcome-based, performance
16 contracts with tribes to participate in the implementation of the
17 forest practices program. Contracts awarded in fiscal year 2013 may
18 only contain indirect costs set at or below the rate in the contracting
19 tribe's indirect cost agreement with the federal government. If
20 federal funding for this purpose is reinstated, the amount provided in
21 this subsection shall lapse.

22 (4) \$518,000 of the forest and fish support account--state
23 appropriation is provided solely for outcome-based performance
24 contracts with nongovernmental organizations to participate in the
25 implementation of the forest practices program. Contracts awarded in
26 fiscal year 2013 may only contain indirect cost set at or below a rate
27 of eighteen percent.

28 (5) During the 2011-2013 fiscal biennium, \$717,000 of the forest
29 and fish support account--state appropriation is provided solely to
30 fund interagency agreements with the department of ecology and the
31 department of fish and wildlife as part of the adaptive management
32 process.

33 (6) \$1,000,000 of the general fund--federal appropriation and
34 \$1,000,000 of the forest and fish support account--state appropriation
35 are provided solely for continuing scientific studies already underway
36 as part of the adaptive management process. Funds may not be used to
37 initiate new studies unless the department secures new federal funding
38 for the adaptive management process.

1 (7) The department is authorized to increase the silviculture
2 burning permit fee in the 2011-2013 biennium by up to eighty dollars
3 plus fifty cents per ton for each ton of material burned in excess of
4 one hundred tons.

5 (8) \$440,000 of the state general fund--state appropriation for
6 fiscal year 2012 and \$440,000 of the state general fund--state
7 appropriation for fiscal year 2013 are provided solely for forest work
8 crews that support correctional camps and are contingent upon
9 continuing operations of Naselle youth camp.

10 (9) By September 1, 2011, the department shall update its
11 interagency agreement dated September 30, 2010, with the department of
12 fish and wildlife concerning land management services on the department
13 of fish and wildlife's wildlife conservation and recreation lands. The
14 update shall include rates and terms for services.

15 (10) In partnership with the department of ecology, the departments
16 shall deliver a report to the governor, the appropriate committees of
17 the legislature, and the forest practices board by September 1, 2012,
18 documenting forest practices adaptive management program reforms
19 implemented, or recommended, that streamline existing processes to
20 increase program efficiencies and effectiveness. The departments shall
21 collaborate with interested adaptive management program participants in
22 the development of the report.

23 (11)(a) \$2,100,000 of the marine resources stewardship account--
24 state appropriation is provided solely for the implementation of
25 chapter 252, Laws of 2012 (marine management planning) and 43.372 RCW.
26 The department will work with the marine interagency team, tribes, and
27 the Washington state marine resource committee to develop a spending
28 plan consistent with the priorities in chapter 252, Laws of 2012, for
29 conducting ecosystem assessments and mapping activities related to
30 marine resources use and potential economic development, developing
31 marine management plans for the state's coastal waters, and otherwise
32 aiding in the implementation of marine planning in the state. As
33 appropriate, the team shall develop a competitive process for projects
34 to be funded by the department in fiscal year 2013.

35 (b) The department, in consultation with the marine interagency
36 team, shall submit to the office of financial management and the
37 appropriate legislative committees by September 1, 2012, a prioritized

1 list of projects and activities for funding consideration through the
 2 marine resources stewardship account in the 2013-2015 fiscal biennium.
 3 ((+13)) (12) \$780,000 of the forest practices application
 4 account--state appropriation, \$18,000 of the forest development
 5 account--state appropriation, \$23,000 of the resources management cost
 6 account--state appropriation, and \$2,000 of the surface mining
 7 reclamation account--state appropriation are provided solely for the
 8 implementation of Second Engrossed Substitute Senate Bill No. 6406
 9 (state natural resources). If the bill is not enacted by June 30,
 10 2012, the amounts provided in this subsection shall lapse.

11 **Sec. 304.** 2012 2nd sp.s. c 7 s 311 (uncodified) is amended to read
 12 as follows:

13 **FOR THE PUGET SOUND PARTNERSHIP**

14	General Fund--State Appropriation (FY 2012)	\$2,273,000
15	General Fund--State Appropriation (FY 2013)	\$2,253,000
16	General Fund--Federal Appropriation	\$12,428,000
17	General Fund--Private/Local Appropriation	\$25,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation	\$493,000
20	State Toxics Control Account--State Appropriation	\$658,000
21	TOTAL APPROPRIATION	\$18,130,000

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

24 (1) ((~~\$665,000~~)) \$658,000 of the state toxics control account--
 25 state appropriation is provided solely for activities that contribute
 26 to Puget Sound protection and recovery, including provision of
 27 independent advice and assessment of the state's oil spill prevention,
 28 preparedness, and response programs, including review of existing
 29 activities and recommendations for any necessary improvements. The
 30 partnership may carry out this function through an existing committee,
 31 such as the ecosystem coordination board or the leadership council, or
 32 may appoint a special advisory council. Because this is a unique
 33 statewide program, the partnership may invite participation from
 34 outside the Puget Sound region.

35 (2) Within the amounts appropriated in this section, the Puget
 36 Sound partnership shall facilitate an ongoing monitoring consortium to

1 integrate monitoring efforts for storm water, water quality, watershed
2 health, and other indicators to enhance monitoring efforts in Puget
3 Sound.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2012 2nd sp.s. c 7 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund--State Appropriation (FY 2012)	\$35,395,000
General Fund--State Appropriation (FY 2013)	(\$32,323,000)
	<u>\$42,190,000</u>
General Fund--Federal Appropriation	\$16,081,000
General Fund--Private/Local Appropriation	\$3,021,000
Death Investigations Account--State Appropriation	\$5,537,000
County Criminal Justice Assistance Account--State Appropriation	\$3,207,000
Municipal Criminal Justice Assistance Account--State Appropriation	\$1,286,000
Fire Service Trust Account--State Appropriation	\$131,000
Disaster Response Account--State Appropriation	\$8,002,000
Fire Service Training Account--State Appropriation	\$9,386,000
Aquatic Invasive Species Enforcement Account--State Appropriation	\$54,000
State Toxics Control Account--State Appropriation	\$505,000
Fingerprint Identification Account--State Appropriation	\$10,067,000
Vehicle License Fraud Account--State Appropriation	\$437,000
TOTAL APPROPRIATION	(\$125,432,000)
	<u>\$135,299,000</u>

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.

1 (2) \$8,000,000 of the disaster response account--state
2 appropriation is provided solely for Washington state fire service
3 resource mobilization costs incurred in response to an emergency or
4 disaster authorized under RCW 43.43.960 and 43.43.964. The state
5 patrol shall submit a report quarterly to the office of financial
6 management and the legislative fiscal committees detailing information
7 on current and planned expenditures from this account. This work shall
8 be done in coordination with the military department.

9 (3) \$400,000 of the fire service training account--state
10 appropriation is provided solely for the firefighter apprenticeship
11 training program.

12 (4) In accordance with RCW 43.43.742 the state patrol is authorized
13 to increase the following fees in fiscal year ((2012)) 2013 as
14 necessary to meet the actual costs of conducting business and the
15 appropriation levels in this section: Notary service fee.

16 (5) \$59,000 of the fingerprint identification account--state
17 appropriation is provided solely for implementation of Engrossed Second
18 Substitute House Bill No. 1776 (child care center licensing). If the
19 bill is not enacted by June 30, 2011, the amount provided in this
20 subsection shall lapse.

21 (6) \$6,000 of the fingerprint identification account--state
22 appropriation is provided solely for implementation of Engrossed
23 Substitute House Bill No. 1494 (vulnerable adult referrals). If the
24 bill is not enacted by June 30, 2011, the amount provided in this
25 subsection shall lapse.

26 (7) \$1,000 of the fingerprint identification account--state
27 appropriation is provided solely for implementation of Engrossed Senate
28 Bill No. 6296 (background checks). If the bill is not enacted by June
29 30, 2012, the amount provided in this subsection shall lapse.

30 (8) \$9,896,000 of the general fund--state appropriation for fiscal
31 year 2013 is provided solely for fire mobilization costs.

(End of part)

PART V
EDUCATION

Sec. 501. 2012 2nd sp.s. c 7 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2012)	\$25,322,000
General Fund--State Appropriation (FY 2013)	(\$27,133,000)
	<u>\$27,543,000</u>
General Fund--Federal Appropriation	(\$77,011,000)
	<u>\$78,011,000</u>
General Fund--Private/Local Appropriation	\$4,000,000
TOTAL APPROPRIATION	(\$133,466,000)
	<u>\$134,876,000</u>

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

(1) A maximum of \$16,056,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$14,875,000)~~ \$15,276,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$9,692,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$8,169,000)~~ \$8,160,000 of the general fund--state appropriation for fiscal year 2013 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) By January 1, 2012, the office of the superintendent of public instruction shall issue a report to the legislature with a timeline and an estimate of costs for implementation of the common core standards. The report must incorporate feedback from an open public forum for recommendations to enhance the standards, particularly in math.

(iii) Within the amounts provided, and in consultation with the public school employees of Washington and the Washington school

1 counselors' association, the office of the superintendent of public
2 instruction shall develop a model policy that further defines the
3 recommended roles and responsibilities of graduation coaches and
4 identifies best practices for how graduation coaches work in
5 coordination with school counselors and in the context of a
6 comprehensive school guidance and counseling program.

7 (iv) The office of the superintendent of public instruction shall,
8 no later than August 1, 2011, establish a standard statewide definition
9 of unexcused absence. The definition shall be reported to the ways and
10 means committees of the senate and house of representatives for
11 legislative review in the 2012 legislative session. Beginning no later
12 than January 1, 2012, districts shall report to the office of the
13 superintendent of public instruction, daily student unexcused absence
14 data by school.

15 (b) \$1,964,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$1,017,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for activities associated with the
18 implementation of new school finance systems required by chapter 236,
19 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
20 (state's education system), including technical staff, systems
21 reprogramming, and workgroup deliberations, including the quality
22 education council and the data governance working group.

23 (c)(i) \$851,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$851,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for the operation and expenses of
26 the state board of education, including basic education assistance
27 activities.

28 (ii) \$172,000 of the general fund--state appropriation for fiscal
29 year 2013 is provided solely to the state board of education for
30 implementation of Initiative Measure No. 1240 (charter schools).

31 (d) \$1,744,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$1,387,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely to the professional educator
34 standards board for the following:

35 (i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year
36 2013 are for the operation and expenses of the Washington professional
37 educator standards board; and

1 (ii) \$694,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$312,000 of the general fund--state appropriation for
3 fiscal year 2013 are for conditional scholarship loans and mentor
4 stipends provided through the alternative routes to certification
5 program administered by the professional educator standards board,
6 including the pipeline for paraeducators program and the retooling to
7 teach conditional loan programs. Funding within this subsection
8 (1)(d)(ii) is also provided for the recruiting Washington teachers
9 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-
10 2013 fiscal biennium are intended to be one-time; and

11 (iii) \$25,000 of the general fund--state appropriation for fiscal
12 year 2013 is provided solely for the professional educator standards
13 board to develop educator interpreter standards and identify
14 interpreter assessments that are available to school districts.
15 Interpreter assessments should meet the following criteria: (A)
16 Include both written assessment and performance assessment; (B) be
17 offered by a national organization of professional sign language
18 interpreters and transliterators; and (C) be designed to assess
19 performance in more than one sign system or sign language. The board
20 shall establish a performance standard, defining what constitutes a
21 minimum assessment result, for each educational interpreter assessment
22 identified. The board shall publicize the standards and assessments
23 for school district use.

24 (e) \$133,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$133,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for the implementation of chapter
27 240, Laws of 2010, including staffing the office of equity and civil
28 rights.

29 (f) \$50,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$50,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for the ongoing work of the
32 education opportunity gap oversight and accountability committee.

33 (g) \$45,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$45,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for the implementation of chapter
36 380, Laws of 2009 (enacting the interstate compact on educational
37 opportunity for military children).

1 (h) \$159,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$93,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the implementation of chapter
4 185, Laws of 2011 (bullying prevention), which requires the office of
5 the superintendent of public instruction to convene an ongoing
6 workgroup on school bullying and harassment prevention. Within the
7 amounts provided, \$140,000 is for youth suicide prevention activities.

8 (i) \$1,227,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$1,227,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for implementing a comprehensive
11 data system to include financial, student, and educator data, including
12 development and maintenance of the comprehensive education data and
13 research system (CEDARS).

14 (j) \$25,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$25,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for project citizen, a program
17 sponsored by the national conference of state legislatures and the
18 center for civic education to promote participation in government by
19 middle school students.

20 (k) \$166,000 of the general fund--state appropriation for fiscal
21 year 2012 is provided solely for the implementation of chapter 192,
22 Laws of 2011 (school district insolvency). Funding is provided to
23 develop a clear legal framework and process for dissolution of a school
24 district.

25 (l) \$1,500,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely for implementation of House Bill No. 2799
27 (collaborative schools). If such legislation is not enacted by June
28 30, 2012, the amount provided in this subsection shall lapse.

29 (m) \$128,000 of the general fund--state appropriation for fiscal
30 year 2013 is provided solely pursuant to Substitute House Bill No. 2254
31 (foster care outcomes). The office of the superintendent of public
32 instruction shall report on the implementation of the state's plan of
33 cross-system collaboration to promote educational stability and improve
34 education outcomes of foster youth. The first report is due December
35 1, 2012, and annually thereafter through 2015. If the bill is not
36 enacted by June 30, 2012, the amount provided in this subsection shall
37 lapse.

1 (n) \$250,000 of the general fund--state appropriation for fiscal
2 year 2013 is provided solely for implementation of House Bill No. 2337
3 (open K-12 education resources). If the bill is not enacted by June
4 30, 2012, the amount provided in this subsection shall lapse.

5 (o) \$238,000 of the general fund--state appropriation for fiscal
6 year 2013 is provided solely for implementation of Initiative Measure
7 No. 1240 (charter schools).

8 (2) \$9,267,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$12,267,000 of the general fund--state appropriation for
10 fiscal year 2013 are for statewide programs.

11 (a) HEALTH AND SAFETY

12 (i) \$2,541,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$2,541,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for a corps of nurses located at
15 educational service districts, as determined by the superintendent of
16 public instruction, to be dispatched to the most needy schools to
17 provide direct care to students, health education, and training for
18 school staff.

19 (ii) \$50,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$50,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for a nonviolence and leadership
22 training program provided by the institute for community leadership.

23 (b) TECHNOLOGY

24 \$1,221,000 of the general fund--state appropriation for fiscal year
25 2012 and \$1,221,000 of the general fund--state appropriation for fiscal
26 year 2013 are provided solely for K-20 telecommunications network
27 technical support in the K-12 sector to prevent system failures and
28 avoid interruptions in school utilization of the data processing and
29 video-conferencing capabilities of the network. These funds may be
30 used to purchase engineering and advanced technical support for the
31 network.

32 (c) GRANTS AND ALLOCATIONS

33 (i) \$675,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$675,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for the Washington state achievers
36 scholarship program. The funds shall be used to support community

1 involvement officers that recruit, train, and match community volunteer
2 mentors with students selected as achievers scholars.

3 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$1,000,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for contracting with a college
6 scholarship organization with expertise in conducting outreach to
7 students concerning eligibility for the Washington college bound
8 scholarship consistent with chapter 405, Laws of 2007.

9 (iii) \$2,808,000 of the general fund--state appropriation for
10 fiscal year 2012 and \$2,808,000 of the general fund--state
11 appropriation for fiscal year 2013 are provided solely for the
12 dissemination of the navigation 101 curriculum to all districts. The
13 funding shall support electronic student planning tools and software
14 for analyzing the impact of navigation 101 on student performance, as
15 well as grants to a maximum of one hundred school districts each year,
16 based on progress and need for the implementation of the navigation 101
17 program. The implementation grants shall be awarded to a cross-section
18 of school districts reflecting a balance of geographic and demographic
19 characteristics. Within the amounts provided, the office of the
20 superintendent of public instruction will create a navigation 101
21 accountability model to analyze the impact of the program.

22 (iv) \$337,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$337,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for implementation of the building
25 bridges statewide program for comprehensive dropout prevention,
26 intervention, and reengagement strategies.

27 (v) \$135,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$135,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for dropout prevention programs at
30 the office of the superintendent of public instruction, including the
31 jobs for America's graduates (JAG) program.

32 (vi) \$500,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$1,400,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for the implementation of chapter
35 340, Laws of 2011 (assessment of students in state-funded full-day
36 kindergarten classrooms), including the development and implementation
37 of the Washington kindergarten inventory of developing skills (WaKIDS).
38 Of the amounts in this subsection, \$1,000,000 of the fiscal year 2013

1 appropriation is for the implementation of House Bill No. 2586
2 (kindergarten inventory). If the bill is not enacted by June 30, 2012,
3 this amount shall lapse.

4 (vii) \$2,000,000 of the general fund--state appropriation for
5 fiscal year 2013 is provided solely for an urban school turnaround
6 initiative as follows:

7 (A) The office of the superintendent of public instruction shall
8 select two schools in the largest urban school district in the state.
9 The selected schools shall be among the state's lowest-performing
10 schools; be located within the same community and form a continuum of
11 education for the students in that community; have significant
12 educational achievement gaps; and include a mix of elementary, middle,
13 or high schools.

14 (B) The office shall allocate the funds under this subsection (vii)
15 to the school district to be used exclusively in the selected schools.
16 The district may not charge an overhead or indirect fee for the
17 allocated funds or supplant other state, federal, or local funds in the
18 selected schools. The school district shall use the funds for
19 intensive supplemental instruction, services, and materials in the
20 selected schools in the 2012-13 school year, including but not limited
21 to professional development for school staff; updated curriculum,
22 materials, and technology; extended learning opportunities for
23 students; reduced class size; summer enrichment activities;
24 school-based health clinics; and other research-based initiatives to
25 dramatically turn around the performance and close the achievement gap
26 in the schools. Priorities for the expenditure of the funds shall be
27 determined by the leadership and staff of each school.

28 (C) The office shall monitor the activities in the selected schools
29 and the expenditure of funds to ensure the intent of this subsection
30 (vii) is met, and submit a report to the legislature by December 1,
31 2013, including outcomes resulting from the urban school turnaround
32 initiative. The report submitted to the legislature must include a
33 comparison of student learning achievement in the selected schools with
34 schools of comparable demographics that have not participated in the
35 grant program.

36 (D) Funding provided in this subsection (vii) is intended to be
37 one-time.

1 (viii) \$100,000 of the general fund--state appropriation for fiscal
2 year 2013 is provided solely to subsidize advanced placement exam fees
3 and international baccalaureate class fees and exam fees for low-income
4 students. To be eligible for the subsidy, a student must be either
5 enrolled or eligible to participate in the federal free or reduced
6 price lunch program, and the student must have maximized the allowable
7 federal contribution. The office of the superintendent of public
8 instruction shall set the subsidy in an amount so that the advanced
9 placement exam fee does not exceed \$15.00 and the combined class and
10 exam fee for the international baccalaureate does not exceed \$14.50.

11 **Sec. 502.** 2012 2nd sp.s. c 7 s 502 (uncodified) is amended to read
12 as follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
14 **APPORTIONMENT**

15	General Fund--State Appropriation (FY 2012)	\$5,241,233,000
16	General Fund--State Appropriation (FY 2013)	(\$5,170,854,000)
17		<u>\$5,117,984,000</u>
18	General Fund--Federal Appropriation	\$22,327,000
19	TOTAL APPROPRIATION	(\$10,434,414,000)
20		<u>\$10,381,544,000</u>

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

23 (1)(a) Each general fund fiscal year appropriation includes such
24 funds as are necessary to complete the school year ending in the fiscal
25 year and for prior fiscal year adjustments.

26 (b) For the 2011-12 and 2012-13 school years, the superintendent
27 shall allocate general apportionment funding to school districts as
28 provided in the funding formulas and salary schedules in sections 502
29 and 503 of this act, excluding (c) of this subsection.

30 (c) From July 1, 2011 to August 31, 2011, the superintendent shall
31 allocate general apportionment funding to school districts programs as
32 provided in sections 502 and 504, chapter 564, Laws of 2009, as amended
33 through sections 1402 and 1403 of this act.

34 (d) The appropriations in this section include federal funds
35 provided through section 101 of P.L. No. 111-226 (education jobs fund),
36 which shall be used to support general apportionment program funding.
37 In distributing general apportionment allocations under this section

1 for the 2011-12 school year, the superintendent shall include the
2 additional amount of \$3,327,000 allocated by the United States
3 department of education on September 16, 2011, provided through 101 of
4 P.L. No. 111-226 (education jobs fund) as part of each district's
5 general apportionment allocation.

6 (e) The enrollment of any district shall be the annual average
7 number of full-time equivalent students and part-time students as
8 provided in RCW 28A.150.350, enrolled on the fourth day of school in
9 September and on the first school day of each month October through
10 June, including students who are in attendance pursuant to RCW
11 28A.335.160 and 28A.225.250 who do not reside within the servicing
12 school district. Any school district concluding its basic education
13 program in May must report the enrollment of the last school day held
14 in May in lieu of a June enrollment.

15 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

16 Allocations for certificated instructional staff salaries for the
17 2011-12 and 2012-13 school years are determined using formula-generated
18 staff units calculated pursuant to this subsection.

19 (a) Certificated instructional staff units, as defined in RCW
20 28A.150.410, shall be allocated to reflect the minimum class size
21 allocations, requirements, and school prototypes assumptions as
22 provided in RCW 28A.150.260. The superintendent shall make allocations
23 to school districts based on the district's annual average full-time
24 equivalent student enrollment in each grade.

25 (b) Additional certificated instructional staff units provided in
26 this subsection (2) that exceed the minimum requirements in RCW
27 28A.150.260 are enhancements outside the program of basic education,
28 except as otherwise provided in this section.

29 (c)(i) The superintendent shall base allocations for each level of
30 prototypical school on the following regular education average class
31 size of full-time equivalent students per teacher, except as provided
32 in (c)(ii) of this subsection:

33	General education class size:	
34	Grade	RCW 28A.150.260
35	Grades K-3	..... 25.23
36	Grade 4	..... 27.00

1	Grades 5-6	.....	27.00
2	Grades 7-8	.....	28.53
3	Grades 9-12	.....	28.74

4 The superintendent shall base allocations for career and technical
5 education (CTE) and skill center programs average class size as
6 provided in RCW 28A.150.260.

7 (ii) For each level of prototypical school at which more than fifty
8 percent of the students were eligible for free and reduced-price meals
9 in the prior school year, the superintendent shall allocate funding
10 based on the following average class size of full-time equivalent
11 students per teacher:

12	General education class size in high poverty		
13	school:		
14	Grades K-3	.....	24.10
15	Grade 4	.....	27.00
16	Grades 5-6	.....	27.00
17	Grades 7-8	.....	28.53
18	Grades 9-12	.....	28.74

19 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
20 planning period, expressed as a percentage of a teacher work day, is
21 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

22 (iv) Laboratory science, advanced placement, and international
23 baccalaureate courses are funded at the same class size assumptions as
24 general education schools in the same grade; and

25 (d)(i) Funding for teacher librarians, school nurses, social
26 workers, school psychologists, and guidance counselors is allocated
27 based on the school prototypes as provided in RCW 28A.150.260 and is
28 considered certificated instructional staff, except as provided in
29 (d)(ii) of this subsection.

30 (ii) Students in approved career and technical education and skill
31 center programs generate certificated instructional staff units to
32 provide for the services of teacher librarians, school nurses, social

1 workers, school psychologists, and guidance counselors at the following
2 combined rate per 1000 students:

- 3 Career and Technical Education
- 4 students 2.02 per 1000 student FTE's
- 5 Skill Center students 2.36 per 1000 student FTE's

6 (3) ADMINISTRATIVE STAFF ALLOCATIONS

7 (a) Allocations for school building-level certificated
8 administrative staff salaries for the 2011-12 and 2012-13 school years
9 for general education students are determined using the formula-
10 generated staff units provided in RCW 28A.150.260, and adjusted based
11 on a district's annual average full-time equivalent student enrollment
12 in each grade.

13 (b) Students in approved career and technical education and skill
14 center programs generate certificated school building-level
15 administrator staff units at per student rates that exceed the general
16 education rate in (a) of this subsection by the following percentages:

- 17 Career and Technical Education students 2.5 percent
- 18 Skill Center students 19.75 percent

19 (4) CLASSIFIED STAFF ALLOCATIONS

20 Allocations for classified staff units providing school building-
21 level and district-wide support services for the 2011-12 and 2012-13
22 school years are determined using the formula-generated staff units
23 provided in RCW 28A.150.260, and adjusted based on each district's
24 annual average full-time equivalent student enrollment in each grade.

25 (5) CENTRAL OFFICE ALLOCATIONS

26 In addition to classified and administrative staff units allocated
27 in subsections (3) and (4) of this section, classified and
28 administrative staff units are provided for the 2011-12 and 2012-13
29 school year for the central office administrative costs of operating a
30 school district, at the following rates:

31 (a) The total central office staff units provided in this
32 subsection (5) are calculated by first multiplying the total number of
33 eligible certificated instructional, certificated administrative, and
34 classified staff units providing school-based or district-wide support
35 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

36 (b) Of the central office staff units calculated in (a) of this
37 subsection, 74.53 percent are allocated as classified staff units, as
38

1 generated in subsection (4) of this section, and 25.47 percent shall be
2 allocated as administrative staff units, as generated in subsection (3)
3 of this section.

4 (c) Staff units generated as enhancements outside the program of
5 basic education to the minimum requirements of RCW 28A.150.260, and
6 staff units generated by skill center and career-technical students,
7 are excluded from the total central office staff units calculation in
8 (a) of this subsection.

9 (d) For students in approved career-technical and skill center
10 programs, central office classified units are allocated at the same
11 staff unit per student rate as those generated for general education
12 students of the same grade in this subsection (5), and central office
13 administrative staff units are allocated at staff unit per student
14 rates that exceed the general education rate established for students
15 in the same grade in this subsection (5) by 3.69 percent for career and
16 technical education students, and 21.92 percent for skill center
17 students.

18 (6) FRINGE BENEFIT ALLOCATIONS

19 Fringe benefit allocations shall be calculated at a rate of 16.33
20 percent in the 2011-12 school year and 16.34 percent in the 2012-13
21 school year for certificated salary allocations provided under
22 subsections (2), (3), and (5) of this section, and a rate of 18.73
23 percent in the 2011-12 school year and 18.73 percent in the 2012-13
24 school year for classified salary allocations provided under
25 subsections (4) and (5) of this section.

26 (7) INSURANCE BENEFIT ALLOCATIONS
27

28 Insurance benefit allocations shall be calculated at the
29 maintenance rate specified in section 504 of this act, based on the
30 number of benefit units determined as follows:

31 (a) The number of certificated staff units determined in
32 subsections (2), (3), and (5) of this section; and

33 (b) The number of classified staff units determined in subsections
34 (4) and (5) of this section multiplied by 1.152. This factor is
35 intended to adjust allocations so that, for the purposes of
36 distributing insurance benefits, full-time equivalent classified
37 employees may be calculated on the basis of 1440 hours of work per
38 year, with no individual employee counted as more than one full-time
39 equivalent.

1 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

2 Funding is allocated per annual average full-time equivalent
3 student for the materials, supplies, and operating costs (MSOC)
4 incurred by school districts, consistent with the requirements of RCW
5 28A.150.260.

6 (a) MSOC funding for general education students are allocated at
7 the following per student rates:

8 MSOC RATES/STUDENT FTE

9

10 MSOC Component	2011-12	2012-13
	SCHOOL YEAR	SCHOOL YEAR
13 Technology	\$57.42	\$58.28
14 Utilities and Insurance	\$156.03	\$158.37
15 Curriculum and Textbooks	\$61.65	\$62.58
16 Other Supplies and Library Materials	\$130.89	\$132.85
17 Instructional Professional Development for Certificated 18 and Classified Staff	\$9.53	\$9.68
19 Facilities Maintenance	\$77.30	\$78.46
20 Security and Central Office	\$53.55	\$54.35
21 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	\$554.57

22 (b) Students in approved skill center programs generate per student
23 FTE MSOC allocations which equal the rate for general education
24 students calculated in (a) of this subsection, multiplied by a factor
25 of 2.171.

26 (c) Students in approved exploratory and preparatory career and
27 technical education programs generate a per student MSOC allocation
28 that is equal to the rate for general education students calculated in
29 (a) of this subsection, multiplied by a factor of 2.442.

30 (d) Students in laboratory science courses generate per student FTE
31 MSOC allocations which equal the per student FTE rate for general
32 education students established in (a) of this subsection.

33 (9) SUBSTITUTE TEACHER ALLOCATIONS

1 For the 2011-12 and 2012-13 school years, funding for substitute
2 costs for classroom teachers is based on four (4) funded substitute
3 days per classroom teacher unit generated under subsection (2) of this
4 section, at a daily substitute rate of \$151.86.

5 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

6 (a) Amounts provided in this section are adjusted to reflect
7 provisions of House Bill No. 2065 (allocation of funding for funding
8 for students enrolled in alternative learning experiences).

9 (b) The superintendent of public instruction shall require all
10 districts receiving general apportionment funding for alternative
11 learning experience (ALE) programs as defined in WAC 392-121-182 to
12 provide separate financial accounting of expenditures for the ALE
13 programs offered in district or with a provider, including but not
14 limited to private companies and multidistrict cooperatives, as well as
15 accurate, monthly headcount and FTE enrollment claimed for basic
16 education, including separate counts of resident and nonresident
17 students.

18 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

19 Funding in this section is sufficient to fund voluntary full day
20 kindergarten programs in qualifying high poverty schools, pursuant to
21 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
22 for the voluntary full-day program in a qualifying school shall count
23 as one-half of one full-time equivalent student for purpose of making
24 allocations under this section. Funding in this section provides full-
25 day kindergarten programs for 21 percent of kindergarten enrollment in
26 the 2011-12 school year, and 22 percent in the 2012-13 school year.
27 Funding priority shall be given to schools with the highest poverty
28 levels, as measured by prior year free and reduced price lunch
29 eligibility rates in each school. Funding in this section is
30 sufficient to fund voluntary full day kindergarten programs for July
31 and August of the 2010-11 school year.

32 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
33 NECESSARY PLANTS

34 For small school districts and remote and necessary school plants
35 within any district which have been judged to be remote and necessary
36 by the superintendent of public instruction, additional staff units are
37 provided to ensure a minimum level of staffing support. Additional

1 administrative and certificated instructional staff units provided to
2 districts in this subsection shall be reduced by the general education
3 staff units, excluding career and technical education and skills center
4 enhancement units, otherwise provided in subsections (2) through (5) of
5 this section on a per district basis.

6 (a) For districts enrolling not more than twenty-five average
7 annual full-time equivalent students in grades K-8, and for small
8 school plants within any school district which have been judged to be
9 remote and necessary by the superintendent of public instruction and
10 enroll not more than twenty-five average annual full-time equivalent
11 students in grades K-8:

12 (i) For those enrolling no students in grades 7 and 8, 1.76
13 certificated instructional staff units and 0.24 certificated
14 administrative staff units for enrollment of not more than five
15 students, plus one-twentieth of a certificated instructional staff unit
16 for each additional student enrolled; and

17 (ii) For those enrolling students in grades 7 or 8, 1.68
18 certificated instructional staff units and 0.32 certificated
19 administrative staff units for enrollment of not more than five
20 students, plus one-tenth of a certificated instructional staff unit for
21 each additional student enrolled;

22 (b) For specified enrollments in districts enrolling more than
23 twenty-five but not more than one hundred average annual full-time
24 equivalent students in grades K-8, and for small school plants within
25 any school district which enroll more than twenty-five average annual
26 full-time equivalent students in grades K-8 and have been judged to be
27 remote and necessary by the superintendent of public instruction:

28 (i) For enrollment of up to sixty annual average full-time
29 equivalent students in grades K-6, 2.76 certificated instructional
30 staff units and 0.24 certificated administrative staff units; and

31 (ii) For enrollment of up to twenty annual average full-time
32 equivalent students in grades 7 and 8, 0.92 certificated instructional
33 staff units and 0.08 certificated administrative staff units;

34 (c) For districts operating no more than two high schools with
35 enrollments of less than three hundred average annual full-time
36 equivalent students, for enrollment in grades 9-12 in each such school,
37 other than alternative schools, except as noted in this subsection:

1 (i) For remote and necessary schools enrolling students in any
2 grades 9-12 but no more than twenty-five average annual full-time
3 equivalent students in grades K-12, four and one-half certificated
4 instructional staff units and one-quarter of a certificated
5 administrative staff unit;

6 (ii) For all other small high schools under this subsection, nine
7 certificated instructional staff units and one-half of a certificated
8 administrative staff unit for the first sixty average annual full-time
9 equivalent students, and additional staff units based on a ratio of
10 0.8732 certificated instructional staff units and 0.1268 certificated
11 administrative staff units per each additional forty-three and one-half
12 average annual full-time equivalent students;

13 (iii) Districts receiving staff units under this subsection shall
14 add students enrolled in a district alternative high school and any
15 grades nine through twelve alternative learning experience programs
16 with the small high school enrollment for calculations under this
17 subsection;

18 (d) For each nonhigh school district having an enrollment of more
19 than seventy annual average full-time equivalent students and less than
20 one hundred eighty students, operating a grades K-8 program or a grades
21 1-8 program, an additional one-half of a certificated instructional
22 staff unit;

23 (e) For each nonhigh school district having an enrollment of more
24 than fifty annual average full-time equivalent students and less than
25 one hundred eighty students, operating a grades K-6 program or a grades
26 1-6 program, an additional one-half of a certificated instructional
27 staff unit;

28 (f)(i) For enrollments generating certificated staff unit
29 allocations under (a) through (e) of this subsection, one classified
30 staff unit for each 2.94 certificated staff units allocated under such
31 subsections;

32 (ii) For each nonhigh school district with an enrollment of more
33 than fifty annual average full-time equivalent students and less than
34 one hundred eighty students, an additional one-half of a classified
35 staff unit; and

36 (g) School districts receiving additional staff units to support
37 small student enrollments and remote and necessary plants under
38 subsection (12) of this section shall generate additional MSOC

1 allocations consistent with the nonemployee related costs (NERC)
2 allocation formula in place for the 2010-11 school year as provided
3 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental
4 budget), adjusted annually for inflation.

5 (13) Any school district board of directors may petition the
6 superintendent of public instruction by submission of a resolution
7 adopted in a public meeting to reduce or delay any portion of its basic
8 education allocation for any school year. The superintendent of public
9 instruction shall approve such reduction or delay if it does not impair
10 the district's financial condition. Any delay shall not be for more
11 than two school years. Any reduction or delay shall have no impact on
12 levy authority pursuant to RCW 84.52.0531 and local effort assistance
13 pursuant to chapter 28A.500 RCW.

14 (14) The superintendent may distribute funding for the following
15 programs outside the basic education formula during fiscal years 2012
16 and 2013 as follows:

17 (a) \$589,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$598,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for fire protection for school
20 districts located in a fire protection district as now or hereafter
21 established pursuant to chapter 52.04 RCW.

22 (b) \$436,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$436,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for programs providing skills
25 training for secondary students who are enrolled in extended day
26 school-to-work programs, as approved by the superintendent of public
27 instruction. The funds shall be allocated at a rate not to exceed \$500
28 per full-time equivalent student enrolled in those programs.

29 (c) Funding in this section is sufficient to fund adjustments to
30 school districts' allocations resulting from the implementation of the
31 prototypical school funding formula, pursuant to chapter 236, Laws of
32 2010 (K-12 education funding). The funding in this section is intended
33 to hold school districts harmless in total for funding changes
34 resulting from conversion to the prototypical school formula in the
35 general apportionment program, the learning assistance program, the
36 transitional bilingual program, and the highly capable program, after
37 adjustment for changes in enrollment and other caseload adjustments.

1 (15) \$208,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$211,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for school district emergencies as
4 certified by the superintendent of public instruction. At the close of
5 the fiscal year the superintendent of public instruction shall report
6 to the office of financial management and the appropriate fiscal
7 committees of the legislature on the allocations provided to districts
8 and the nature of the emergency.

9 (16) Funding in this section is sufficient to fund a maximum of
10 1.6 FTE enrollment for skills center students pursuant to chapter 463,
11 Laws of 2007.

12 (17) Beginning in the 2011-12 school year, students participating
13 in running start programs may be funded up to a combined maximum
14 enrollment of 1.2 FTE including school district and institution of
15 higher education enrollment. In calculating the combined 1.2 FTE, the
16 office of the superintendent of public instruction may average the
17 participating student's September through June enrollment to account
18 for differences in the start and end dates for courses provided by the
19 high school and higher education institution. Additionally, the office
20 of the superintendent of public instruction, in consultation with the
21 state board for community and technical colleges, the higher education
22 coordinating board, and the education data center, shall annually track
23 and report to the fiscal committees of the legislature on the combined
24 FTE experience of students participating in the running start program,
25 including course load analyses at both the high school and community
26 and technical college system.

27 (18) If two or more school districts consolidate and each district
28 was receiving additional basic education formula staff units pursuant
29 to subsection (12) of this section, the following apply:

30 (a) For three school years following consolidation, the number of
31 basic education formula staff units shall not be less than the number
32 of basic education formula staff units received by the districts in the
33 school year prior to the consolidation; and

34 (b) For the fourth through eighth school years following
35 consolidation, the difference between the basic education formula staff
36 units received by the districts for the school year prior to
37 consolidation and the basic education formula staff units after

1 consolidation pursuant to subsection (12) of this section shall be
2 reduced in increments of twenty percent per year.

3 (19)(a) Indirect cost charges by a school district to approved
4 career and technical education middle and secondary programs shall not
5 exceed 15 percent of the combined basic education and career and
6 technical education program enhancement allocations of state funds.
7 Middle and secondary career and technical education programs are
8 considered separate programs for funding and financial reporting
9 purposes under this section.

10 (b) Career and technical education program full-time equivalent
11 enrollment shall be reported on the same monthly basis as the
12 enrollment for students eligible for basic support, and payments shall
13 be adjusted for reported career and technical education program
14 enrollments on the same monthly basis as those adjustments for
15 enrollment for students eligible for basic support.

16 **Sec. 503.** 2012 2nd sp.s. c 7 s 503 (uncodified) is amended to read
17 as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**
19 **COMPENSATION**

20 (1) The following calculations determine the salaries used in the
21 state allocations for certificated instructional, certificated
22 administrative, and classified staff units as provided in RCW
23 28A.150.280 and under section (~~503~~) 502 of this act:

24 (a) Salary allocations for certificated instructional staff units
25 are determined for each district by multiplying the district's
26 certificated instructional total base salary shown on LEAP Document 2
27 by the district's average staff mix factor for certificated
28 instructional staff in that school year, computed using LEAP document
29 1; and

30 (b) Salary allocations for certificated administrative staff units
31 and classified staff units for each district are determined based on
32 the district's certificated administrative and classified salary
33 allocation amounts shown on LEAP Document 2.

34 (2) For the purposes of this section:

35 (a) "LEAP Document 1" means the staff mix factors for certificated
36 instructional staff according to education and years of experience, as

1 developed by the legislative evaluation and accountability program
2 committee on May 23, 2011, at 16:10 hours; and

3 (b) "LEAP Document 2" means the school year salary allocations for
4 certificated administrative staff and classified staff and derived and
5 total base salaries for certificated instructional staff as developed
6 by the legislative evaluation and accountability program committee on
7 May 23, 2011, at 16:10 hours.

8 (3) Incremental fringe benefit factors are applied to salary
9 adjustments at a rate of 15.69 percent for school year 2011-12 and
10 15.70 percent for school year 2012-13 for certificated instructional
11 and certificated administrative staff and 15.23 percent for school year
12 2011-12 and 15.23 percent for the 2012-13 school year for classified
13 staff.

14 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
15 allocation schedules for certificated instructional staff are
16 established for basic education salary allocations:

17 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2011-12

18 ***Education Experience***

19

20	Years									MA+90
21	of									OR
22	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
23	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
24	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
25	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
26	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
27	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
28	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
29	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
30	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
31	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
32	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
33	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
34	11				45,883	49,169	51,558	49,295	52,581	54,969
35	12				47,332	50,777	53,238	50,850	54,188	56,650
36	13					52,425	54,959	52,460	55,836	58,370

1	14	54,081	56,745	54,117	57,600	60,157
2	15	55,488	58,221	55,523	59,098	61,721
3	16 or more	56,597	59,385	56,634	60,279	62,955

4 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13

5 ***Education Experience***

6	7										8
9	Years										MA+90
10	of										OR
11	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.	
12	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989	
13	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452	
14	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912	
15	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377	
16	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857	
17	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339	
18	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797	
19	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768	
20	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254	
21	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785	
22	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356	
23	11				45,883	49,169	51,558	49,295	52,581	54,969	
24	12				47,332	50,777	53,238	50,850	54,188	56,650	
25	13					52,425	54,959	52,460	55,836	58,370	
26	14					54,081	56,745	54,117	57,600	60,157	
27	15					55,488	58,221	55,523	59,098	61,721	
28	16 or more					56,597	59,385	56,634	60,279	62,955	

29 (b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

30 (c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

1 (i) Credits earned since receiving the masters degree; and
2 (ii) Any credits in excess of forty-five credits that were earned
3 after the baccalaureate degree but before the masters degree.

4 (5) For the purposes of this section:

5 (a) "BA" means a baccalaureate degree.

6 (b) "MA" means a masters degree.

7 (c) "PHD" means a doctorate degree.

8 (d) "Years of service" shall be calculated under the same rules
9 adopted by the superintendent of public instruction.

10 (e) "Credits" means college quarter hour credits and equivalent
11 in-service credits computed in accordance with RCW 28A.415.020 and
12 28A.415.023.

13 (6) No more than ninety college quarter-hour credits received by
14 any employee after the baccalaureate degree may be used to determine
15 compensation allocations under the state salary allocation schedule and
16 LEAP documents referenced in this part V, or any replacement schedules
17 and documents, unless:

18 (a) The employee has a masters degree; or

19 (b) The credits were used in generating state salary allocations
20 before January 1, 1992.

21 (7) The salary allocation schedules established in this section are
22 for allocation purposes only except as provided in RCW 28A.400.200(2).

23 **Sec. 504.** 2012 2nd sp.s. c 7 s 504 (uncodified) is amended to read
24 as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
26 **COMPENSATION ADJUSTMENTS**

27 General Fund--Federal Appropriation \$2,000

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

30 (1)(a) Additional salary adjustments as necessary to fund the base
31 salaries for certificated instructional staff as listed for each
32 district in LEAP Document 2, defined in section ((504)) 503(2)(b) of
33 this act. Allocations for these salary adjustments shall be provided
34 to all districts that are not grandfathered to receive salary
35 allocations above the statewide salary allocation schedule, and to
36 certain grandfathered districts to the extent necessary to ensure that

1 salary allocations for districts that are currently grandfathered do
2 not fall below the statewide salary allocation schedule.

3 (b) Additional salary adjustments to certain districts as necessary
4 to fund the per full-time-equivalent salary allocations for
5 certificated administrative staff as listed for each district in LEAP
6 Document 2, defined in section (~~504~~) 503(2)(b) of this act.

7 (c) Additional salary adjustments to certain districts as necessary
8 to fund the per full-time-equivalent salary allocations for classified
9 staff as listed for each district in LEAP Document 2, defined in
10 section (~~504~~) 503(2)(b) of this act.

11 (d) The appropriations in this subsection (1) include associated
12 incremental fringe benefit allocations at 15.69 percent for the 2011-12
13 school year and 15.70 percent for the 2012-13 school year for
14 certificated instructional and certificated administrative staff and
15 15.23 percent for the 2011-12 school year and 15.23 percent for the
16 2012-13 school year for classified staff.

17 (e) The appropriations in this section include the increased or
18 decreased portion of salaries and incremental fringe benefits for all
19 relevant state-funded school programs in part V of this act. Changes
20 for general apportionment (basic education) are based on the salary
21 allocation schedules and methodology in sections (~~503 and 504~~) 502
22 and 503 of this act. Changes for special education result from changes
23 in each district's basic education allocation per student. Changes for
24 educational service districts and institutional education programs are
25 determined by the superintendent of public instruction using the
26 methodology for general apportionment salaries and benefits in sections
27 (~~503 and 504~~) 502 and 503 of this act.

28 (f) The appropriations in this section include no salary
29 adjustments for substitute teachers.

30 (2) The maintenance rate for insurance benefit allocations is
31 \$768.00 per month for the 2011-12 and 2012-13 school years. The
32 appropriations in this section reflect the incremental change in cost
33 of allocating rates of \$768.00 per month for the 2011-12 school year
34 and \$768.00 per month for the 2012-13 school year.

35 (3) The rates specified in this section are subject to revision
36 each year by the legislature.

1 **Sec. 505.** 2012 2nd sp.s. c 7 s 505 (uncodified) is amended to read
2 as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

4 General Fund--State Appropriation (FY 2012)	\$322,243,000
5 General Fund--State Appropriation (FY 2013)	(\$273,642,000)
6	<u>\$273,893,000</u>
7 TOTAL APPROPRIATION	(\$595,885,000)
8	<u>\$596,136,000</u>

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

11 (1) Each general fund fiscal year appropriation includes such funds
12 as are necessary to complete the school year ending in the fiscal year
13 and for prior fiscal year adjustments.

14 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
15 shall allocate funding to school district programs for the
16 transportation of students as provided in RCW 28A.160.192.

17 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
18 allocate funding to school districts programs for the transportation of
19 students as provided in section 505, chapter 564, Laws of 2009, as
20 amended through section 1404 of this act.

21 (3) Any amounts appropriated for maintenance level funding for
22 pupil transportation that exceed actual maintenance level expenditures
23 as calculated under the funding formula that takes effect September 1,
24 2011, shall be distributed to districts according to RCW
25 28A.160.192(2)(b).

26 (4) A maximum of \$892,000 of this fiscal year 2012 appropriation
27 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be
28 expended for regional transportation coordinators and related
29 activities. The transportation coordinators shall ensure that data
30 submitted by school districts for state transportation funding shall,
31 to the greatest extent practical, reflect the actual transportation
32 activity of each district.

33 (5) The office of the superintendent of public instruction shall
34 provide reimbursement funding to a school district for school bus
35 purchases only after the superintendent of public instruction
36 determines that the school bus was purchased from the list established
37 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process

1 based on the lowest price quote based on similar bus categories to
2 those used to establish the list pursuant to RCW 28A.160.195.

3 (6) The superintendent of public instruction shall base
4 depreciation payments for school district buses on the pre-sales tax
5 five-year average of lowest bids in the appropriate category of bus.
6 In the final year on the depreciation schedule, the depreciation
7 payment shall be based on the lowest bid in the appropriate bus
8 category for that school year.

9 (7) Funding levels in this section reflect waivers granted by the
10 state board of education for four-day school weeks as allowed under RCW
11 28A.305.141.

12 (8) Starting with the 2012-13 school year, the office of the
13 superintendent of public instruction shall disburse payments for bus
14 depreciation in August.

15 **Sec. 506.** 2011 2nd sp.s. c 9 s 506 (uncodified) is amended to read
16 as follows:

17 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
18 **PROGRAMS**

19	General Fund--State Appropriation (FY 2012)	\$7,111,000
20	General Fund--State Appropriation (FY 2013)	\$7,111,000
21	General Fund--Federal Appropriation	(((\$436,400,000))
22		<u>\$456,400,000</u>
23	TOTAL APPROPRIATION	(((\$450,622,000))
24		<u>\$470,622,000</u>

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

27 (1) \$7,111,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$7,111,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for state matching money for
30 federal child nutrition programs, and may support the meals for kids
31 program through the following allowable uses:

32 (a) Elimination of breakfast copays for eligible public school
33 students and lunch copays for eligible public school students in grades
34 kindergarten through third grade who are eligible for reduced price
35 lunch;

36 (b) Assistance to school districts and authorized public and

1 private nonprofit organizations for supporting summer food service
2 programs, and initiating new summer food service programs in low-income
3 areas;

4 (c) Reimbursements to school districts for school breakfasts served
5 to students eligible for free and reduced price lunch, pursuant to
6 chapter 287, Laws of 2005; and

7 (d) Assistance to school districts in initiating and expanding
8 school breakfast programs.

9 The office of the superintendent of public instruction shall report
10 annually to the fiscal committees of the legislature on annual
11 expenditures in (a), (b), and (c) of this subsection.

12 **Sec. 507.** 2012 2nd sp.s. c 7 s 506 (uncodified) is amended to read
13 as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
15 **PROGRAMS**

16	General Fund--State Appropriation (FY 2012)	\$648,369,000
17	General Fund--State Appropriation (FY 2013)	(\$679,832,000)
18		<u>\$658,489,000</u>
19	General Fund--Federal Appropriation	(\$486,922,000)
20		<u>\$495,922,000</u>
21	Education Legacy Trust Account--State Appropriation	\$756,000
22	TOTAL APPROPRIATION	(\$1,815,879,000)
23		<u>\$1,803,536,000</u>

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

26 (1) Funding for special education programs is provided on an excess
27 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
28 that special education students as a class receive their full share of
29 the general apportionment allocation accruing through sections 502 and
30 504 of this act. To the extent a school district cannot provide an
31 appropriate education for special education students under chapter
32 28A.155 RCW through the general apportionment allocation, it shall
33 provide services through the special education excess cost allocation
34 funded in this section.

35 (2)(a) The superintendent of public instruction shall ensure that:

36 (i) Special education students are basic education students first;

1 (ii) As a class, special education students are entitled to the
2 full basic education allocation; and

3 (iii) Special education students are basic education students for
4 the entire school day.

5 (b) The superintendent of public instruction shall continue to
6 implement the full cost method of excess cost accounting, as designed
7 by the committee and recommended by the superintendent, pursuant to
8 section 501(1)(k), chapter 372, Laws of 2006.

9 (c) Beginning with the 2010-11 school year award cycle, the office
10 of the superintendent of public instruction shall make award
11 determinations for state safety net funding in August of each school
12 year. Determinations on school district eligibility for state safety
13 net awards shall be based on analysis of actual expenditure data from
14 the current school year.

15 (3) Each fiscal year appropriation includes such funds as are
16 necessary to complete the school year ending in the fiscal year and for
17 prior fiscal year adjustments.

18 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent
19 shall allocate funding to school district programs for special
20 education students as provided in RCW 28A.150.390.

21 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
22 allocate funding to school district programs for special education
23 students as provided in section 507, chapter 564, Laws of 2009, as
24 amended through section 1406 of this act.

25 (5) The following applies throughout this section: The definitions
26 for enrollment and enrollment percent are as specified in RCW
27 28A.150.390(3). Each district's general fund--state funded special
28 education enrollment shall be the lesser of the district's actual
29 enrollment percent or 12.7 percent.

30 (6) At the request of any interdistrict cooperative of at least 15
31 districts in which all excess cost services for special education
32 students of the districts are provided by the cooperative, the maximum
33 enrollment percent shall be calculated in accordance with RCW
34 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
35 rather than individual district units. For purposes of this
36 subsection, the average basic education allocation per full-time
37 equivalent student shall be calculated in the aggregate rather than
38 individual district units.

1 (7) \$8,914,000 of the general fund--state appropriation for fiscal
2 year 2012, (~~(\$34,200,000)~~) \$9,469,000 of the general fund--state
3 appropriation for fiscal year 2013, and (~~(\$29,574,000)~~) \$32,574,000 of
4 the general fund--federal appropriation are provided solely for safety
5 net awards for districts with demonstrated needs for special education
6 funding beyond the amounts provided in subsection (4) of this section.
7 If the federal safety net awards based on the federal eligibility
8 threshold exceed the federal appropriation in this subsection (7) in
9 any fiscal year, the superintendent shall expend all available federal
10 discretionary funds necessary to meet this need. At the conclusion of
11 each school year, the superintendent shall recover safety net funds
12 that were distributed prospectively but for which districts were not
13 subsequently eligible.

14 (a) For the 2011-12 and 2012-13 school years, safety net funds
15 shall be awarded by the state safety net oversight committee as
16 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

17 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
18 operate the safety net oversight committee and shall award safety net
19 funds as provided in section 507, chapter 564, Laws of 2009, as amended
20 through section 1406 of this act.

21 (8) A maximum of \$678,000 may be expended from the general fund--
22 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
23 full-time equivalent aides at children's orthopedic hospital and
24 medical center. This amount is in lieu of money provided through the
25 home and hospital allocation and the special education program.

26 (9) The superintendent shall maintain the percentage of federal
27 flow-through to school districts at 85 percent. In addition to other
28 purposes, school districts may use increased federal funds for high-
29 cost students, for purchasing regional special education services from
30 educational service districts, and for staff development activities
31 particularly relating to inclusion issues.

32 (10) A school district may carry over from one year to the next
33 year up to 10 percent of the general fund--state funds allocated under
34 this program; however, carryover funds shall be expended in the special
35 education program.

36 (11) \$251,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$251,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely for two additional full-time

1 equivalent staff to support the work of the safety net committee and to
2 provide training and support to districts applying for safety net
3 awards.

4 (12) \$50,000 of the general fund--state appropriation for fiscal
5 year 2012, \$50,000 of the general fund--state appropriation for fiscal
6 year 2013, and \$100,000 of the general fund--federal appropriation
7 shall be expended to support a special education ombudsman program
8 within the office of superintendent of public instruction.

9 **Sec. 508.** 2012 2nd sp.s. c 7 s 507 (uncodified) is amended to read
10 as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
12 **DISTRICTS**

13	General Fund--State Appropriation (FY 2012)	\$7,894,000
14	General Fund--State Appropriation (FY 2013)	(\$7,912,000)
15		<u>\$7,888,000</u>
16	TOTAL APPROPRIATION	(\$15,806,000)
17		<u>\$15,782,000</u>

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

20 (1) The educational service districts shall continue to furnish
21 financial services required by the superintendent of public instruction
22 and RCW 28A.310.190 (3) and (4).

23 (2) Funding within this section is provided for regional
24 professional development related to mathematics and science curriculum
25 and instructional strategies. Funding shall be distributed among the
26 educational service districts in the same proportion as distributions
27 in the 2007-2009 biennium. Each educational service district shall use
28 this funding solely for salary and benefits for a certificated
29 instructional staff with expertise in the appropriate subject matter
30 and in professional development delivery, and for travel, materials,
31 and other expenditures related to providing regional professional
32 development support.

33 (3) The educational service districts, at the request of the state
34 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may
35 receive and screen applications for school accreditation, conduct
36 school accreditation site visits pursuant to state board of education
37 rules, and submit to the state board of education post-site visit

1 recommendations for school accreditation. The educational service
2 districts may assess a cooperative service fee to recover actual plus
3 reasonable indirect costs for the purposes of this subsection.

4 **Sec. 509.** 2012 2nd sp.s. c 7 s 508 (uncodified) is amended to read
5 as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
7 **ASSISTANCE**

8	General Fund--State Appropriation (FY 2012)	\$300,768,000
9	General Fund--State Appropriation (FY 2013)	(\$298,166,000)
10		<u>\$299,537,000</u>
11	General Fund--Federal Appropriation	\$4,400,000
12	TOTAL APPROPRIATION	(\$603,334,000)
13		<u>\$604,705,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations: For purposes of RCW 84.52.0531, the
16 increase per full-time equivalent student is 3 percent from the 2010-11
17 school year to the 2011-12 school year and 5 percent from the 2011-12
18 school year to the 2012-13 school year.

19 **Sec. 510.** 2012 2nd sp.s. c 7 s 509 (uncodified) is amended to read
20 as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
22 **EDUCATION PROGRAMS**

23	General Fund--State Appropriation (FY 2012)	\$16,694,000
24	General Fund--State Appropriation (FY 2013)	(\$15,867,000)
25		<u>\$14,883,000</u>
26	TOTAL APPROPRIATION	(\$32,561,000)
27		<u>\$31,577,000</u>

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

30 (1) Each general fund--state fiscal year appropriation includes
31 such funds as are necessary to complete the school year ending in the
32 fiscal year and for prior fiscal year adjustments.

33 (2) State funding provided under this section is based on salaries
34 and other expenditures for a 220-day school year. The superintendent
35 of public instruction shall monitor school district expenditure plans

1 for institutional education programs to ensure that districts plan for
2 a full-time summer program.

3 (3) State funding for each institutional education program shall be
4 based on the institution's annual average full-time equivalent student
5 enrollment. Staffing ratios for each category of institution shall
6 remain the same as those funded in the 1995-97 biennium.

7 (4) The funded staffing ratios for education programs for juveniles
8 age 18 or less in department of corrections facilities shall be the
9 same as those provided in the 1997-99 biennium.

10 (5) \$586,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$549,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely to maintain at least one
13 certificated instructional staff and related support services at an
14 institution whenever the K-12 enrollment is not sufficient to support
15 one full-time equivalent certificated instructional staff to furnish
16 the educational program. The following types of institutions are
17 included: Residential programs under the department of social and
18 health services for developmentally disabled juveniles, programs for
19 juveniles under the department of corrections, programs for juveniles
20 under the juvenile rehabilitation administration, and programs for
21 juveniles operated by city and county jails.

22 (6) Ten percent of the funds allocated for each institution may be
23 carried over from one year to the next.

24 **Sec. 511.** 2012 2nd sp.s. c 7 s 510 (uncodified) is amended to read
25 as follows:

26 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

27	General Fund--State Appropriation (FY 2012)	\$8,745,000
28	General Fund--State Appropriation (FY 2013)	(\$8,788,000)
29		<u>\$9,127,000</u>
30	TOTAL APPROPRIATION	(\$17,533,000)
31		<u>\$17,872,000</u>

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

34 (1) Each general fund fiscal year appropriation includes such funds
35 as are necessary to complete the school year ending in the fiscal year
36 and for prior fiscal year adjustments.

1 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
2 shall allocate funding to school district programs for highly capable
3 students as provided in RCW 28A.150.260(10)(c). In calculating the
4 allocations, the superintendent shall assume the following: (i)
5 Additional instruction of 2.1590 hours per week per funded highly
6 capable program student; (ii) fifteen highly capable program students
7 per teacher; (iii) 36 instructional weeks per year; (iv) 900
8 instructional hours per teacher; and (v) the district's average staff
9 mix and compensation rates as provided in sections 503 and 504 of this
10 act.

11 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
12 allocate funding to school districts programs for highly capable
13 students as provided in section 511, chapter 564, Laws of 2009, as
14 amended through section 1409 of this act.

15 (3) \$85,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$85,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for the centrum program at Fort
18 Worden state park.

19 **Sec. 512.** 2012 2nd sp.s. c 7 s 512 (uncodified) is amended to read
20 as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
22 **BILINGUAL PROGRAMS**

23	General Fund--State Appropriation (FY 2012)	\$79,575,000
24	General Fund--State Appropriation (FY 2013)	(\$80,666,000)
25		<u>\$83,417,000</u>
26	General Fund--Federal Appropriation	\$71,001,000
27	TOTAL APPROPRIATION	(\$231,242,000)
28		<u>\$233,993,000</u>

29
30 The appropriations in this section are subject to the following
31 conditions and limitations:

32 (1) Each general fund fiscal year appropriation includes such funds
33 as are necessary to complete the school year ending in the fiscal year
34 and for prior fiscal year adjustments.

35 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
36 shall allocate funding to school districts for transitional bilingual
37 programs as provided in RCW 28A.150.260(10)(b). In calculating the
38 allocations, the superintendent shall assume the following averages:

1 (i) Additional instruction of 4.7780 hours per week per transitional
2 bilingual program student; (ii) fifteen transitional bilingual program
3 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
4 instructional hours per teacher; and (v) the district's average staff
5 mix and compensation rates as provided in sections 503 and 504 of this
6 act.

7 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
8 allocate funding to school districts for transitional bilingual
9 instruction programs as provided in section 514, chapter 564, Laws of
10 2009, as amended through section 1411 of this act.

11 (c) The allocations in this section reflect the implementation of
12 a new funding formula for the transitional bilingual instructional
13 program, effective September 1, 2011, as specified in RCW
14 28A.150.260(10)(b).

15 (3) The superintendent may withhold allocations to school districts
16 in subsection (2) of this section solely for the central provision of
17 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
18 following amounts: 2.79 percent for school year 2011-12 and 2.11
19 percent for school year 2012-13.

20 (4) The general fund--federal appropriation in this section is for
21 migrant education under Title I Part C and English language
22 acquisition, and language enhancement grants under Title III of the
23 elementary and secondary education act.

24 (5) In preparing its 2013-15 biennial budget request, the office of
25 the superintendent of public instruction shall (~~prepare for~~
26 ~~implementation of~~) propose a funding model for the transitional
27 bilingual program, beginning in school year 2013-14, that is scaled to
28 provide more support to students requiring most intensive intervention,
29 (students with beginning levels of English language proficiency) and
30 less support to students requiring less intervention. The (~~funding~~
31 ~~model~~) proposal shall also provide up to two years of bonus funding
32 upon successful exit from the bilingual program to facilitate
33 successful transition to a standard program of education.

34 \$35,000 of the general fund--state appropriation for fiscal year
35 2012 and \$35,000 of the general fund--state appropriation for fiscal
36 year 2013 are provided solely to track current and former transitional
37 bilingual program students.

1 **Sec. 513.** 2012 2nd sp.s. c 7 s 513 (uncodified) is amended to read
2 as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
4 **ASSISTANCE PROGRAM**

5	General Fund--State Appropriation (FY 2012)	\$102,619,000
6	General Fund--State Appropriation (FY 2013)	((\$128,779,000))
7		<u>\$127,198,000</u>
8	General Fund--Federal Appropriation	((\$492,207,000))
9		<u>\$494,207,000</u>
10	Education Legacy Trust Account--State	
11	Appropriation	\$23,990,000
12	TOTAL APPROPRIATION	((\$747,595,000))
13		<u>\$748,014,000</u>

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

16 (1) The general fund--state appropriations in this section are
17 subject to the following conditions and limitations:

18 (a) The appropriations include such funds as are necessary to
19 complete the school year ending in the fiscal year and for prior fiscal
20 year adjustments.

21 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent
22 shall allocate funding to school districts for learning assistance
23 programs as provided in RCW 28A.150.260(10)(a). In calculating the
24 allocations, the superintendent shall assume the following averages:
25 (A) Additional instruction of 1.51560 hours per week per funded
26 learning assistance program student; (B) fifteen learning assistance
27 program students per teacher; (C) 36 instructional weeks per year; (D)
28 900 instructional hours per teacher; and (E) the district's average
29 staff mix and compensation rates as provided in sections 503 and 504 of
30 this act.

31 (ii) From July 1, 2011, to August 31, 2011, the superintendent
32 shall allocate funding to school districts for learning assistance
33 programs as provided in section 515, chapter 564, Laws of 2009, as
34 amended through section 1412 of this act.

35 (c) A school district's funded students for the learning assistance
36 program shall be the sum of the district's full-time equivalent
37 enrollment in grades K-12 for the prior school year multiplied by the

1 district's percentage of October headcount enrollment in grades K-12
2 eligible for free or reduced price lunch in the prior school year.

3 (2) Allocations made pursuant to subsection (1) of this section
4 shall be adjusted to reflect ineligible applications identified through
5 the annual income verification process required by the national school
6 lunch program, as recommended in the report of the state auditor on the
7 learning assistance program dated February, 2010.

8 (3) The general fund--federal appropriation in this section is
9 provided for Title I Part A allocations of the no child left behind act
10 of 2001.

11 (4) A school district may carry over from one year to the next up
12 to 10 percent of the general fund-state or education legacy trust funds
13 allocated under this program; however, carryover funds shall be
14 expended for the learning assistance program.

15 (5) The office of the superintendent of public instruction shall
16 research and recommend options for an adjustment factor for middle
17 school and high school free and reduced price lunch eligibility
18 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report
19 to the fiscal committees of the legislature by June 1, 2012. For the
20 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

21 **Sec. 514.** 2012 2nd sp.s. c 7 s 514 (uncodified) is amended to read
22 as follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

24 (1) Amounts distributed to districts by the superintendent through
25 part V of this act are for allocations purposes only and do not entitle
26 a particular district, district employee, or student to a specific
27 service, beyond what has been expressly provided in statute. Part V of
28 this act restates the requirements of various sections of Title 28A
29 RCW. If any conflict exists, the provisions of Title 28A RCW control
30 unless this act explicitly states that it is providing an enhancement.

31 Any amounts provided in part V of this act in excess of the amounts
32 required by Title 28A RCW provided in statute, are not within the
33 program of basic education.

34 (2) To the maximum extent practicable, when adopting new or revised
35 rules or policies relating to the administration of allocations in part
36 V of this act that result in fiscal impact, the office of the

1 superintendent of public instruction shall attempt to seek legislative
2 approval through the budget request process.

3 (3) Appropriations made in this act to the office of the
4 superintendent of public instruction shall initially be allotted as
5 required by this act. Subsequent allotment modifications shall not
6 include transfers of moneys between sections of this act except as
7 expressly provided in subsection (4) of this section.

8 (4) The appropriations to the office of the superintendent of
9 public instruction in this act shall be expended for the programs and
10 amounts specified in this act. However, after May 1, (~~(2012)~~) 2013,
11 unless specifically prohibited by this act and after approval by the
12 director of financial management, the superintendent of public
13 instruction may transfer state general fund appropriations for fiscal
14 year (~~(2012)~~) 2013 among the following programs to meet the
15 apportionment schedule for a specified formula in another of these
16 programs: General apportionment; employee compensation adjustments;
17 pupil transportation; special education programs; institutional
18 education programs; transitional bilingual programs; highly capable;
19 and learning assistance programs.

20 (5) The director of financial management shall notify the
21 appropriate legislative fiscal committees in writing prior to approving
22 any allotment modifications or transfers under this section.

(End of part)

PART VI
HIGHER EDUCATION

Sec. 601. 2012 2nd sp.s. c 7 s 601 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund--State Appropriation (FY 2012)	\$532,841,000
General Fund--State Appropriation (FY 2013)	(\$516,861,000)
	<u>\$554,861,000</u>
Community/Technical College Capital Projects	
Account--State Appropriation	\$12,793,000
Education Legacy Trust Account--State	
Appropriation	(\$95,256,000)
	<u>\$57,256,000</u>
TOTAL APPROPRIATION	\$1,157,751,000

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

(1) \$28,761,000 of the general fund--state appropriation for fiscal year 2012 and \$28,761,000 of the general fund--state appropriation for fiscal year 2013 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 6,200 full-time equivalent students in fiscal year 2012 and at least 6,200 full-time equivalent students in fiscal year 2013.

(2) \$2,725,000 of the general fund--state appropriation for fiscal year 2012 and \$2,725,000 of the general fund--state appropriation for fiscal year 2013 are 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) \$4,500,000 of the general fund--state appropriation for fiscal year 2012 and \$4,500,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for worker retraining.

1 (4) Of the amounts appropriated in this section, \$5,000,000 is
2 provided solely for the student achievement initiative.

3 (5) When implementing the appropriations in this section, the state
4 board and the trustees of the individual community and technical
5 colleges shall minimize impact on academic programs, maximize
6 reductions in administration, and shall at least maintain, and endeavor
7 to increase, enrollment opportunities and degree and certificate
8 production in high employer-demand fields of study at their academic
9 year 2008-09 levels.

10 (6) Community and technical colleges are not required to send mass
11 mailings of course catalogs to residents of their districts. Community
12 and technical colleges shall consider lower cost alternatives, such as
13 mailing postcards or brochures that direct individuals to online
14 information and other ways of acquiring print catalogs.

15 (7) Bellevue college is authorized to offer applied baccalaureate
16 degrees in information technology, health care services and management,
17 biotechnology, and preprofessional preparation for medical fields.
18 These degrees shall be directed at high school graduates and transfer-
19 oriented degree and professional and technical degree holders. In
20 fiscal year 2012, Bellevue college will develop a two-year plan for
21 offering these new degrees. The plan will assume funding for these new
22 degrees shall come through redistribution of its current per full-time
23 enrollment funding. The plan shall be delivered to the legislature by
24 June 30, 2012.

25 (8) The Seattle community college district is authorized to offer
26 applied baccalaureate degree programs in business/international
27 business and technology management, interactive and artistic digital
28 media, sustainability, building science technology, and allied and
29 global health. These degrees shall be directed at high school
30 graduates and professional and technical degree holders. In fiscal
31 year 2012, Seattle community colleges shall develop a two-year plan for
32 offering these new degrees. The plan will assume that funding for
33 these new degrees comes through redistribution of its current per full-
34 time enrollment funding. The plan shall be delivered to the
35 legislature by June 30, 2012.

36 (9) \$100,000 of the general fund--state appropriation for fiscal
37 year 2013 is provided solely for the Jefferson education center.

1 (10) \$2,000,000 of the general fund--state appropriation for fiscal
2 year 2013 is provided solely for an expansion in enrollments in
3 science, technology, engineering, and math. Amounts provided in this
4 subsection may be used only to cover direct costs of instruction
5 associated with this enrollment expansion. By June 30, 2012, the state
6 board for community and technical colleges shall provide a report to
7 the legislature that provides specific detail on how these amounts will
8 be spent. Each June 30th thereafter, the state board for community and
9 technical colleges shall provide an updated report that provides
10 specific detail on how these amounts were spent in the preceding twelve
11 months.

12 (11) Amounts appropriated in this section are sufficient for the
13 state board for community and technical colleges to conduct a
14 comprehensive review of its tuition waiver policies. The resulting
15 report shall include an overview of tuition waiver uses and costs
16 (forgone revenue) and outcomes and any recommendations for changes to
17 tuition waiver policy and shall be provided to the legislature no later
18 than December 1, 2012.

19 (12) \$131,000 of the general fund--state appropriation for fiscal
20 year 2013 is provided solely for the implementation of Second
21 Substitute House Bill No. 2156 (workforce training/aerospace). If the
22 bill is not enacted by June 30, 2012, the amount provided in this
23 subsection shall lapse.

24 (13) The state board for community and technical colleges shall not
25 use funds appropriated in this section to support intercollegiate
26 athletics programs.

27 (14) \$200,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$1,851,000 of the general fund--state appropriation for
29 fiscal year 2013 is provided solely for implementation of the
30 customized training program under RCW 28B.67.020.

31 **Sec. 602.** 2012 2nd sp.s. c 7 s 602 (uncodified) is amended to read
32 as follows:

33 **FOR THE UNIVERSITY OF WASHINGTON**

34	General Fund--State Appropriation (FY 2012)	\$201,226,000
35	General Fund--State Appropriation (FY 2013)	\$201,612,000
36	Education Legacy Trust Account--State Appropriation	\$18,579,000
37	Economic Development Strategic Reserve Account--	

1	State Appropriation	\$1,500,000
2	Biotoxin Account--State Appropriation	((\$450,000))
3		<u>\$350,000</u>
4	Accident Account--State Appropriation	\$6,681,000
5	Medical Aid Account--State Appropriation	\$6,488,000
6	TOTAL APPROPRIATION	((\$436,536,000))
7		<u>\$436,436,000</u>

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

10 (1) In implementing the appropriations in this section, the
11 president and regents shall seek to minimize impacts on student
12 services and instructional programs by maximizing reductions in
13 administration and other noninstructional activities.

14 (2) \$150,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$150,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the development of integrated
17 medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho
18 (WWAMI) medical education program in Spokane and eastern Washington.
19 Funding is contingent on appropriations being provided to Washington
20 State University for WWAMI program expansion in Spokane and eastern
21 Washington.

22 (3) \$52,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$52,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for the center for international
25 trade in forest products in the college of forest resources.

26 (4) \$88,000 of the general fund--state appropriation for fiscal
27 year 2012 is provided solely for implementation of Engrossed Second
28 Substitute Senate Bill No. 5485 (state's natural resources). If the
29 bill is not enacted by June 30, 2011, the amount provided in this
30 subsection shall lapse.

31 (5) \$143,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$144,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for the ongoing management of the
34 Washington park arboretum.

35 (6) \$3,800,000 of the general fund--state appropriation for fiscal
36 year 2013 is provided solely for an expansion in engineering
37 enrollments, including enrollments in the field of computer science.
38 Amounts provided in this subsection may be used only to cover direct

1 costs of instruction associated with this enrollment expansion. By
2 June 30, 2012, the university shall provide a report to the legislature
3 that provides specific detail on how these amounts will be spent. Each
4 September 1st thereafter, the university shall provide an updated
5 report that provides specific detail on how these amounts were spent in
6 the preceding twelve months.

7 (7) Amounts appropriated in this section are sufficient for the
8 university to conduct a comprehensive review of its tuition waiver
9 policies. The resulting report shall include an overview of tuition
10 waiver uses and costs (forgone revenue) and outcomes and any
11 recommendations for changes to tuition waiver policy and shall be
12 provided to the legislature no later than December 1, 2012.

13 (8) \$610,000 of the general fund--state appropriation for fiscal
14 year 2012 is provided solely to expand health sciences capacity at the
15 University of Washington for Washington, Wyoming, Alaska, Montana,
16 Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for
17 fiscal year 2012 is provided solely to expand health sciences capacity
18 at the University of Washington for Regional Initiatives in Dental
19 Education (RIDE) for the WWAMI-RIDE program expansion to achieve full
20 ramp-up of first-year medical students and dental students each year of
21 the four-year programs.

22 (9) The University of Washington shall not use funds appropriated
23 in this section to support intercollegiate athletics programs.

24 (10) Amounts appropriated in this section are sufficient to cover
25 the costs associated with the implementation of Engrossed Substitute
26 Senate Bill No. 6486 (collective bargaining for post-doctoral
27 researchers).

28 **Sec. 603.** 2012 2nd sp.s. c 7 s 613 (uncodified) is amended to read
29 as follows:

30 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**
31 **ASSISTANCE**

32	General Fund--State Appropriation (FY 2013)	\$247,034,000
33	General Fund--Federal Appropriation	\$5,812,000
34	Washington Opportunity Pathways Account--State	
35	Appropriation	\$73,500,000
36	<u>Aerospace Training Student Loan Account--State</u>	
37	<u>Appropriation</u>	<u>\$12,000</u>

1 TOTAL APPROPRIATION ((~~\$326,346,000~~))
2 \$326,358,000

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

5 (1) \$237,018,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$73,500,000 of the opportunity pathways account--
7 state appropriation are provided solely for student financial aid
8 payments under the state need grant and the state work study programs
9 including up to a four percent administrative allowance for the state
10 work study program.

11 (2) Within the funds appropriated in this section, eligibility for
12 the state need grant shall include students with family incomes at or
13 below 70 percent of the state median family income (MFI), adjusted for
14 family size, and shall include students enrolled in three to five
15 credit-bearing quarter credits, or the equivalent semester credits.
16 The higher education coordinating board shall report to the legislature
17 by December 1, 2013, regarding the number of students enrolled in three
18 to five credit-bearing quarter credits, or the equivalent semester
19 credits, and their academic progress including degree completion.
20 Awards for all students shall be adjusted by the estimated amount by
21 which Pell grant increases exceed projected increases in the
22 noninstructional costs of attendance. Awards for students with incomes
23 between 51 and 70 percent of the state median shall be prorated at the
24 following percentages of the award amount granted to those with incomes
25 below 51 percent of the MFI: 70 percent for students with family
26 incomes between 51 and 55 percent MFI; 65 percent for students with
27 family incomes between 56 and 60 percent MFI; 60 percent for students
28 with family incomes between 61 and 65 percent MFI; and 50 percent for
29 students with family incomes between 66 and 70 percent MFI.

30 (3) \$1,250,000 of the general fund--state appropriation for fiscal
31 year 2013 is provided solely for implementation of the aerospace
32 training scholarship and student loan program as specified in Engrossed
33 Substitute House Bill No. 1846 (aerospace student loans). If the bill
34 is not enacted by June 30, 2012, the amount provided in this subsection
35 shall lapse.

36 (4) For fiscal year 2013, the board shall defer loan or conditional
37 scholarship repayments to the future teachers conditional scholarship
38 and loan repayment program for up to one year for each participant if

1 the participant has shown evidence of efforts to find a teaching job
2 but has been unable to secure a teaching job per the requirements of
3 the program.

4 (5) \$1,000,000 of the education legacy trust account--state
5 appropriation is provided solely for the gaining early awareness and
6 readiness for undergraduate programs project.

7 (6) \$1,500,000 of the general fund--state appropriation for fiscal
8 year 2013 is provided solely for the leadership 1000 program.

9 (7) \$2,436,000 of the general fund--state appropriation for fiscal
10 year 2013 is provided solely for the passport to college program. The
11 maximum scholarship award shall be \$5,000. The board shall contract
12 with a nonprofit organization to provide support services to increase
13 student completion in their postsecondary program and shall, under this
14 contract, provide a minimum of \$500,000 in fiscal year 2013 for this
15 purpose.

16 (8) In addition to the entities listed in RCW 28B.122.010, the
17 aerospace student loan program may provide loans to students attending
18 an aerospace training program at Renton technical college.

19 (9) The office of student financial assistance and the department
20 of health shall prioritize a portion of any nonfederal balances in the
21 health professional loan repayment and scholarship fund for conditional
22 loan repayment contracts with psychiatrists and with advanced
23 registered nurse practitioners for work at one of the state-operated
24 psychiatric hospitals. The office and department shall designate the
25 state hospitals as health professional shortage areas if necessary for
26 this purpose. The office of student financial assistance shall
27 coordinate with the department of social and health services to
28 effectively incorporate these conditional loan repayments into the
29 department's advanced psychiatric professional recruitment and
30 retention strategies.

31 (10) \$50,000 of the amount provided in this section shall be used
32 to convene the higher education loan program work group. The work
33 group shall develop methods for funding the loan program in the future,
34 as well as recommendations regarding the best loan program structure
35 for providing financial aid to underserved populations. The work group
36 shall seek out technical advice from the housing finance commission.
37 At a minimum, the recommendations regarding the proposed loan program
38 must take into account the following: Whether students could benefit

1 from the creation of a new student loan program; the relationship
2 between the student loan program and the state need grant program and
3 the state need grant qualified student population; mechanisms to
4 achieve interest rates that are below those offered in federally
5 guaranteed and private bank student loans; sources of initial and
6 on-going funding for loans and program operation; and default risks,
7 reserve requirements, and other conditions required for the student
8 loan program. The work group shall provide a report to the legislature
9 no later than December 1, 2012.

10 **Sec. 604.** 2012 2nd sp.s. c 7 s 615 (uncodified) is amended to read
11 as follows:

12 **FOR THE DEPARTMENT OF EARLY LEARNING**

13	General Fund--State Appropriation (FY 2012)	\$25,497,000
14	General Fund--State Appropriation (FY 2013)	(\$27,190,000)
15		<u>\$27,351,000</u>
16	General Fund--Federal Appropriation	\$280,619,000
17	Opportunity Pathways Account--State Appropriation	\$78,000,000
18	Home Visiting Services Account--Federal Appropriation	\$300,000
19	<u>Children's Trust Account--State Appropriation</u>	<u>\$142,000</u>
20	TOTAL APPROPRIATION	(\$411,606,000)
21		<u>\$411,909,000</u>

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

24 (1) \$16,028,000 of the general fund--state appropriation for fiscal
25 year 2012, \$18,028,000 of the general fund--state appropriation of
26 fiscal year 2013, \$78,000,000 of the opportunity pathways account
27 appropriation, and \$2,256,000 of the general fund--federal
28 appropriation are provided solely for the early childhood education
29 assistance program services. Of these amounts, \$10,284,000 is a
30 portion of the biennial amount of state maintenance of effort dollars
31 required to receive federal child care and development fund grant
32 dollars.

33 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the
34 department is authorized to increase child care center and child care
35 family home licensure fees in fiscal years 2012 and 2013 for costs to
36 the department for the licensure activity, including costs of necessary

1 inspection. These increases are necessary to support expenditures
2 authorized in this section.

3 (3) \$64,000 of the general fund--state appropriation for fiscal
4 year 2012, \$638,000 of the general fund--state appropriation for fiscal
5 year 2013, and \$574,000 of the general fund--federal appropriation are
6 provided solely for child care resource and referral network services.

7 (4) \$200,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$200,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely to develop and provide culturally
10 relevant supports for parents, family, and other caregivers.

11 (5) The department is the lead agency for and recipient of the
12 federal child care and development fund grant. Amounts within this
13 grant shall be used to fund child care licensing, quality initiatives,
14 agency administration, and other costs associated with child care
15 subsidies. The department shall transfer a portion of this grant to
16 the department of social and health services to fund the child care
17 subsidies paid by the department of social and health services on
18 behalf of the department of early learning.

19 (6) The appropriations in this section reflect reductions in the
20 appropriations for the department's administrative expenses. It is the
21 intent of the legislature that these reductions shall be achieved, to
22 the greatest extent possible, by reducing those administrative costs
23 that do not affect direct client services or direct service delivery or
24 program.

25 (7) \$934,000 of the general fund--state appropriation for fiscal
26 year 2012, \$934,000 of the general fund--state appropriation for fiscal
27 year 2013, and \$2,400,000 of the general fund--federal appropriation
28 are provided solely for expenditure into the home visiting services
29 account. This funding is intended to meet federal maintenance of
30 effort requirements and to secure private matching funds.

31 (a) All federal funds received by the department for home visiting
32 activities must be deposited into the home visiting services account.

33 (b) The department must consult with stakeholders during the
34 development of the Washington home visiting plan and any future
35 proposals for federal funding.

36 (c) No more than \$300,000 of the home visiting services account--
37 federal appropriation may be expended for program administration for

1 fiscal year 2013 pursuant to RCW 43.215.130. No other funds may be
2 expended for that purpose.

3 (8)(a) \$153,558,000 of the general fund--federal appropriation is
4 provided solely for the working connections child care program under
5 RCW 43.215.135.

6 (b) In addition to groups that were given prioritized access to the
7 working connections child care program effective March 1, 2011, the
8 department shall also give prioritized access into the program to
9 families in which a parent of a child in care is a minor who is not
10 living with a parent or guardian and who is a full-time student in a
11 high school that has a school-sponsored on-site child care center.

12 (9)(a) \$50,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$1,050,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for implementation and
15 administration of an electronic benefit transfer system. The system
16 shall include electronic time keeping, integrated with an eligibility
17 information technology system, and an electronic payment system. The
18 department shall coordinate implementation of this system with the
19 department of social and health services.

20 (b) \$100,000 of the general fund--state appropriation in this
21 subsection is provided solely for the department to contract for an
22 independent consultant to evaluate and recommend the optimum system for
23 the eligibility determination process. The evaluation must include an
24 analysis of lean management processes that, if adopted, could improve
25 the cost effectiveness and delivery of eligibility determination. The
26 department shall coordinate with the department of social and health
27 services for this evaluation. The department must report to the office
28 of financial management and the appropriate fiscal and policy
29 committees of the legislature by December 1, 2012.

30 (10) Within available amounts, the department in consultation with
31 the office of financial management and the department of social and
32 health services shall report quarterly enrollments and active caseload
33 for the working connections child care program to the legislative
34 fiscal committees and the legislative-executive WorkFirst oversight
35 task force. The report shall also identify the number of cases
36 participating in both temporary assistance for needy families and
37 working connections child care.

1 (11) \$1,025,000 of the general fund--state appropriation for fiscal
2 year 2013 and \$6,712,000 of the general fund--federal appropriation are
3 provided solely for the seasonal child care program in fiscal year
4 2013.

5 (12) \$2,522,000 of the general fund--state appropriation for fiscal
6 year 2012, \$2,522,000 of the general fund--state appropriation for
7 fiscal year 2013, and \$4,304,000 of the general fund--federal
8 appropriation are provided solely for the medicaid treatment child care
9 (MTCC) program. The department shall contract for MTCC services to
10 provide therapeutic child care and other specialized treatment services
11 to abused, neglected, at-risk, and/or drug-affected children. Priority
12 for services shall be given to children referred from the department of
13 social and health services children's administration. In addition to
14 referrals made by children's administration, the department shall
15 authorize services for children referred to the MTCC program, as long
16 as the children meet the eligibility requirements as outlined in the
17 Washington state plan for the MTCC program. Of the amounts
18 appropriated in this subsection, \$60,000 per fiscal year may be used by
19 the department for administering the MTCC program, if needed.

20 (13)(a) The department shall establish a birth-to-three
21 subcommittee of the early learning advisory council. The subcommittee
22 will be cochaired by the department and nongovernmental private-public
23 partnership created in RCW 43.215.070. The subcommittee shall include
24 at least one representative from each of the following:

- 25 (i) The early learning advisory council;
- 26 (ii) The office of the superintendent of public instruction;
- 27 (iii) The department of social and health services;
- 28 (iv) The department of early learning;
- 29 (v) The nongovernmental private-public partnership created in RCW
30 43.215.070;
- 31 (vi) The early learning action alliance; and
- 32 (vii) Additional stakeholders with expertise in birth-to-three
33 policy and programs and quality child care, as designated by the early
34 learning advisory council.

35 (b) The subcommittee may convene advisory subgroups on specific
36 topics as necessary to assure participation and input from a broad
37 array of diverse stakeholders.

1 (c) The subcommittee shall be monitored and overseen by the early
2 learning advisory council created in RCW 43.215.090.

3 (d) The subcommittee shall develop a birth-to-three implementation
4 proposal, which shall include further development of the Washington
5 state birth-to-three plan.

6 (e) The subcommittee must include recommendations on the following
7 in its birth-to-three proposal:

8 (i) Eligibility criteria for providers and programs;

9 (ii) The level of funding necessary to implement birth-to-three
10 programs, including an option which makes available funding equivalent
11 to thirty percent of the funding provided for the program of early
12 learning established in RCW 43.215.141;

13 (iii) Options for funding sources for birth-to-three programs;

14 (iv) Governance responsibilities for the department of early
15 learning; and

16 (v) A timeline for implementation that is concurrent with the
17 expansion to the early learning program outlined in RCW 43.215.142.

18 The subcommittee must present its recommendations to the early
19 learning advisory council and the appropriate committees of the
20 legislature by December 1, 2012.

21 (14) \$300,000 of the general fund--federal appropriation is
22 provided solely for a contract with a nonprofit entity experienced in
23 the provision of promoting early literacy for children through
24 pediatric office visits.

25 **Sec. 605.** 2012 2nd sp.s. c 7 s 616 (uncodified) is amended to read
26 as follows:

27 **FOR THE STATE SCHOOL FOR THE BLIND**

28	General Fund--State Appropriation (FY 2012)	\$5,776,000
29	General Fund--State Appropriation (FY 2013)	(\$5,671,000)
30		<u>\$5,691,000</u>
31	TOTAL APPROPRIATION	(\$11,447,000)
32		<u>\$11,467,000</u>

33 **Sec. 606.** 2012 2nd sp.s. c 7 s 617 (uncodified) is amended to read
34 as follows:

35 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**

1 **LOSS**

2	General Fund--State Appropriation (FY 2012)	\$8,439,000
3	General Fund--State Appropriation (FY 2013)	(\$8,335,000)
4		<u>\$8,431,000</u>
5	TOTAL APPROPRIATION	(\$16,774,000)
6		<u>\$16,870,000</u>

(End of part)

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 2012 2nd sp.s. c 7 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 2012)	\$911,643,000
General Fund--State Appropriation (FY 2013)	(\$949,349,000)
	<u>\$940,324,000</u>
State Building Construction Account--State	
Appropriation	(\$3,866,000)
	<u>\$6,002,000</u>
Columbia River Basin Water Supply Development	
Account--State Appropriation	(\$121,000)
	<u>\$144,000</u>
Hood Canal Aquatic Rehabilitation Bond Account--State	
Appropriation	(\$4,000)
	<u>\$5,000</u>
State Taxable Building Construction Account--State	
Appropriation	(\$90,000)
	<u>\$71,000</u>
Gardner-Evans Higher Education Construction	
Account--State Appropriation	(\$13,000)
	<u>\$23,000</u>
Debt-Limit Reimbursable Bond Retire Account--State	
Appropriation	(\$2,300,000)
	<u>\$2,299,000</u>
TOTAL APPROPRIATION	(\$1,867,386,000)
	<u>\$1,860,511,000</u>

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 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

1 Account--State Appropriation ((~~\$2,000~~))
2 \$3,000
3 TOTAL APPROPRIATION ((~~\$3,119,000~~))
4 \$1,989,000

5 **Sec. 704.** 2012 2nd sp.s. c 7 s 707 (uncodified) is amended to read
6 as follows:

7 **FOR SUNDRY CLAIMS**

8 The following sums, or so much thereof as may be necessary, are
9 appropriated from the general fund for fiscal year 2012, unless
10 otherwise indicated, for relief of various individuals, firms, and
11 corporations for sundry claims. These appropriations are to be
12 disbursed on vouchers approved by the director of financial management,
13 except as otherwise provided, for reimbursement of criminal defendants
14 acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as
15 follows:

- 16 (1) Clint L. Powell, Jr., claim number 99970048 \$58,155.10
- 17 (2) Chance L. Hawkins, claim number 99970049 \$28,838.95
- 18 (3) Edgar L. Hawkins, claim number 99970050 \$25,507.00
- 19 (4) James Abbott, claim number 99970051 \$9,880.00
- 20 (5) Richard Frisk, claim number 99970052 \$32,788.50
- 21 (6) Brian Barnd-Spjut, claim number 99970053 \$122,821.79
- 22 (7) Dwijen Buckendorf, claim number 99970059 \$2,100.00
- 23 (8) Todd Chism, claim number 99970061 \$56,183.26
- 24 (9) James Glasco, claim number 99970062 \$18,800.00
- 25 (10) David Holtzclaw, claim number 99970057 \$15,154.52
- 26 (11) Gary Richey, claim number 99970063 \$9,020.00
- 27 (12) Shelly Porter, claim number 99970054 \$12,525.72

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2012 2nd sp.s. c 7 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 ((~~\$8,289,000~~))
\$7,774,000

General Fund Appropriation for public utility district excise tax distributions ((~~\$44,078,000~~))
\$49,864,000

General Fund Appropriation for prosecuting attorney distributions ((~~\$6,281,000~~))
\$5,805,000

General Fund Appropriation for boating safety and education distributions \$4,000,000

General Fund Appropriation for other tax distributions ((~~\$58,000~~))
\$66,000

General Fund Appropriation for habitat conservation program distributions \$3,000,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies \$2,960,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$160,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties ((~~\$58,229,000~~))
\$61,175,000

County Criminal Justice Assistance Appropriation ((~~\$69,566,000~~))
\$69,531,000

Municipal Criminal Justice Assistance Appropriation ((~~\$26,843,000~~))
\$26,829,000

City-County Assistance Account Appropriation for local government financial assistance distribution ((~~\$12,159,000~~))

1		<u>\$13,988,000</u>
2	Liquor Excise Tax Account Appropriation for liquor	
3	excise tax distribution	\$25,617,000
4	Streamlined Sales and Use Tax Mitigation Account	
5	Appropriation for distribution to local taxing	
6	jurisdictions to mitigate the unintended revenue	
7	redistribution effect of the sourcing law	
8	changes	((\$49,309,000))
9		<u>\$49,000,000</u>
10	Columbia River Water Delivery Account Appropriation for	
11	the Confederated Tribes of the Colville	
12	Reservation	((\$7,478,000))
13		<u>\$7,481,000</u>
14	Columbia River Water Delivery Account Appropriation for	
15	the Spokane Tribe of Indians	((\$4,794,000))
16		<u>\$4,795,000</u>
17	Liquor Revolving Account Appropriation for liquor	
18	profits distribution	((\$85,132,000))
19		<u>\$96,253,000</u>
20	TOTAL APPROPRIATION	((\$407,953,000))
21		<u>\$428,298,000</u>

22 The total expenditures from the state treasury under the
23 appropriations in this section shall not exceed the funds available
24 under statutory distributions for the stated purposes.

25 **Sec. 802.** 2012 2nd sp.s. c 7 s 802 (uncodified) is amended to read
26 as follows:

27 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
28 **ACCOUNT**

29	Impaired Driver Safety Account Appropriation	((\$2,439,000))
30		<u>\$2,422,000</u>

31 The appropriation in this section is subject to the following
32 conditions and limitations: The amount appropriated in this section
33 shall be distributed quarterly during the 2011-2013 fiscal biennium in
34 accordance with RCW 82.14.310. This funding is provided to counties
35 for the costs of implementing criminal justice legislation including,
36 but not limited to: Chapter 206, Laws of 1998 (drunk driving
37 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,

1 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
2 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
3 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
4 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
5 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
6 215, Laws of 1998 (DUI provisions).

7 **Sec. 803.** 2012 2nd sp.s. c 7 s 803 (uncodified) is amended to read
8 as follows:

9 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**
10 Impaired Driver Safety Account Appropriation (~~(\$1,626,000)~~)
11 \$1,615,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: The amount appropriated in this section
14 shall be distributed quarterly during the 2011-2013 biennium to all
15 cities ratably based on population as last determined by the office of
16 financial management. The distributions to any city that substantially
17 decriminalizes or repeals its criminal code after July 1, 1990, and
18 that does not reimburse the county for costs associated with criminal
19 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
20 which the city is located. This funding is provided to cities for the
21 costs of implementing criminal justice legislation including, but not
22 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
23 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
24 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
25 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
26 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
27 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
28 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
29 Laws of 1998 (DUI provisions).

30 **Sec. 804.** 2011 1st sp.s. c 50 s 804 (uncodified) is amended to
31 read as follows:

32 **FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**
33 General Fund Appropriation for federal flood control
34 funds distribution (~~(\$74,000)~~)
35 \$52,000
36 General Fund Appropriation for federal grazing fees

1	distribution	((\$2,430,000))
2		<u>\$1,747,000</u>
3	Forest Reserve Fund Appropriation for federal forest	
4	reserve fund distribution	((\$29,175,000))
5		<u>\$39,776,000</u>
6	TOTAL APPROPRIATION	((\$31,679,000))
7		<u>\$41,575,000</u>

8 The total expenditures from the state treasury under the
9 appropriations in this section shall not exceed the funds available
10 under statutory distributions for the stated purposes.

11 **Sec. 805.** 2012 2nd sp.s. c 7 s 804 (uncodified) is amended to read
12 as follows:

13 **FOR THE STATE TREASURER--TRANSFERS**

14 State Treasurer's Service Account: For transfer to
15 the state general fund, \$16,300,000
16 for fiscal year 2012 and
17 ((~~\$24,800,000~~)) \$26,600,000 for fiscal
18 year 2013 ((~~\$41,100,000~~))
19 \$42,900,000

20 Waste Reduction, Recycling, and Litter Control
21 Account: For transfer to the state general
22 fund, \$4,847,000 for fiscal year
23 2012 and \$4,847,000 for fiscal year
24 2013 \$9,694,000

25 Aquatics Lands Enhancement Account: For transfer to
26 the state general fund, \$3,500,000 for fiscal
27 year 2012 and \$3,500,000 for fiscal year 2013 \$7,000,000

28 Savings Incentive Account: For transfer to the state
29 general fund, \$44,618,000 for fiscal year 2012 \$44,618,000

30 Distinguished Professorship Trust Fund: For transfer to
31 the state general fund for fiscal year 2012, an amount
32 not to exceed the actual cash balance of the fund \$3,024,000

33 Washington Graduate Fellowship Trust Fund: For transfer
34 to the state general fund for fiscal year 2012, an
35 amount not to exceed the actual cash balance of
36 the fund \$1,028,000

37 College Faculty Awards Trust Fund: For transfer

1 to the state general fund for fiscal year 2012, an amount
2 not to exceed the actual cash balance of the fund \$1,996,000
3 Data Processing Revolving Account: For transfer
4 to the state general fund, \$5,960,000 for fiscal
5 year 2012 \$5,960,000
6 Drinking Water Assistance Account: For transfer to
7 the drinking water assistance repayment account \$38,000,000
8 Economic Development Strategic Reserve Account: For
9 transfer to the state general fund, \$2,100,000
10 for fiscal year 2012 and \$2,100,000 for fiscal
11 year 2013 \$4,200,000
12 General Fund: For transfer to the streamlined sales
13 and use tax account, \$24,520,000
14 for fiscal year 2012 and (~~(\$24,789,000)~~) \$24,480,000
15 for fiscal year 2013 (~~(\$49,309,000)~~)
16 \$49,000,000
17 Public Works Assistance Account: For transfer to the
18 water pollution control revolving account,
19 \$7,750,000 for fiscal year 2012 and \$7,750,000 for
20 fiscal year 2013 \$15,500,000
21 The Charitable, Educational, Penal, and Reformatory
22 Institutions Account: For transfer to the state
23 general fund, \$4,500,000 for fiscal year 2012 and
24 \$4,500,000 for fiscal year 2013 \$9,000,000
25 Thurston County Capital Facilities Account: For
26 transfer to the state general fund, \$4,000,000
27 for fiscal year 2012 and \$4,000,000 for fiscal
28 year 2013 \$8,000,000
29 Public Works Assistance Account: For transfer to the
30 drinking water assistance account, \$10,000,000 for
31 fiscal year 2012 and \$5,000,000 for fiscal year
32 2013 \$15,000,000
33 Liquor Control Board Construction and Maintenance
34 Account: For transfer to the state general fund,
35 \$500,000 for fiscal year 2012 \$500,000
36 Education Savings Account: For transfer to the state
37 general fund, (~~(\$54,431,000 for fiscal~~
38 ~~year 2012)) an amount not to exceed the actual~~

1 cash balance of the fund \$54,431,000
2 Department of Retirement Systems Expense Account:
3 For transfer to the state general fund,
4 \$2,330,000 for fiscal year 2012 and
5 \$4,330,000 for fiscal year 2013 \$6,660,000
6 Education Construction Account: For transfer to the
7 state general fund, \$102,000,000 for fiscal year
8 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000
9 Public Works Assistance Account: For transfer to the
10 state general fund, \$40,000,000
11 for fiscal year 2012 and \$40,000,000
12 for fiscal year 2013 \$80,000,000
13 Foster Care Endowed Scholarship Trust Fund: For transfer
14 to the state general fund, \$200,000 for fiscal year
15 2012 and \$200,000 for fiscal year 2013 \$400,000
16 Affordable Housing For All Account: For transfer to
17 the home security fund, \$1,000,000 for fiscal year
18 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000
19 Tobacco Settlement Account: For transfer to the state
20 general fund, in an amount not to exceed the actual
21 amount of the annual base payment to the tobacco
22 settlement account \$158,205,000
23 Tobacco Settlement Account: For transfer to the basic
24 health plan stabilization account from the amounts
25 deposited in the account that are attributable to the
26 annual strategic contribution payment received in
27 fiscal year 2012 \$22,000,000
28 Tobacco Settlement Account: For transfer to the basic
29 health plan stabilization account from the amounts
30 deposited in the account that are attributable to the
31 annual strategic contribution payment received in
32 fiscal year 2013 \$22,000,000
33 Tobacco Settlement Account: For transfer to the life
34 sciences discovery fund, in an amount not to exceed
35 the actual remaining amount of the annual strategic
36 contribution payment to the tobacco settlement account
37 for fiscal year 2012 \$6,000,000
38 Tobacco Settlement Account: For transfer to the life

1 sciences discovery fund, in an amount not to exceed
2 the actual remaining amount of the annual strategic
3 contribution payment to the tobacco settlement account
4 for fiscal year 2013 \$6,000,000

5 The transfer to the life sciences discovery fund is subject to the
6 following conditions: All new grants awarded during the 2011-2013
7 fiscal biennium shall support and accelerate the commercialization of
8 an identifiable product.

9 Financial Services Regulation Fund: For transfer to
10 the state general fund, \$4,000,000 for fiscal
11 year 2012 \$4,000,000

12 State Nursery Revolving Account: For transfer to the
13 state general fund, \$250,000 for fiscal year 2012 and
14 \$250,000 for fiscal year 2013 \$500,000

15 Washington State Heritage Center Account: For transfer
16 to the state general fund, \$2,000,000 for fiscal
17 year 2013 \$2,000,000

18 Local Toxics Control Account: For transfer to the state
19 toxics control account, \$15,000,000 for fiscal
20 year 2012 and \$16,000,000 for fiscal year 2013 \$31,000,000

21 Coastal Protection Account: For transfer to the state
22 general fund, \$500,000 for fiscal year 2012 and
23 \$500,000 for fiscal year 2013 \$1,000,000

24 (~~Multimodal Transportation Account—State: For transfer~~
25 ~~to the Public Transportation Grant Program Account~~
26 ~~for the purposes of distributions of \$3,000,000 on~~
27 ~~each of the last working days of December, March,~~
28 ~~and June in fiscal year 2013 \$9,000,000~~)

29 Aquatic Lands Enhancement Account: For transfer to
30 the marine resources stewardship trust account,
31 \$2,100,000 for fiscal year 2013 \$2,100,000

(End of part)

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