

SSB 6620 - S AMD **920**
By Senator Braun

1 On page 28, after line 10, insert the following:

"Part VII

Community-Based Behavioral Health Facilities

4 NEW SECTION. **SEC. 24.** The legislature finds there is a growing
5 need for high quality community behavioral health services. The
6 growing demand for state hospital beds has strained the state's
7 capacity to provide sufficient services in both the state hospitals
8 and in the community for individuals suffering from acute behavioral
9 and substance use disorders. The legislature intends to address the
10 needs of adults and children with mental disorders through a
11 comprehensive set of evidence-based practices that are effective in
12 serving individuals in their community and will reduce the need for
13 placements in and facilitate timely discharge from state mental
14 hospitals.

15 The legislature finds further that local facilities and services
16 that keep Washington residents closer to their families and
17 communities improve outcomes. These services may be provided in
18 community settings including, but not limited to, evaluation and
19 treatment centers, crisis triage and stabilization centers, less
20 restrictive alternative step-down beds, enhanced service facilities,
21 detoxification centers, transitional and long-term housing,
22 residential treatment centers, and other such facilities. Additional
23 resources for these community settings help prevent the need for an
24 inpatient level of care at a state hospital or other long-term
25 inpatient hospital setting.

NEW SECTION. **Sec. 25.** (1) The department of commerce, in collaboration with the department of social and health services and the health care authority, shall issue grants to community hospitals or other community entities to expand and establish new capacity for behavioral health services in communities. Amounts provided in this

1 section may be used for construction and equipment costs associated
2 with establishment of the facilities, and consideration must be given
3 to programs that incorporate outreach and treatment for youth dealing
4 with mental health or social isolation issues. Amounts provided in
5 this section may not be used for operating costs associated with the
6 treatment of patients using these services. The department shall
7 establish criteria for the issuance of the grants, which must
8 include:

9 (a) Evidence that the application was developed in collaboration
10 with one or more behavioral health organizations, as defined in RCW
11 71.24.025, or entities that assume the responsibilities of behavioral
12 health organizations in regions in which the health care authority is
13 purchasing medical and behavioral health services through fully
14 integrated contracts pursuant to RCW 71.24.380;

15 (b) Evidence that the applicant has assessed and would meet gaps
16 in geographical behavioral health services needs in their region;

17 (c) A commitment by applicants to serve persons who are publicly
18 funded and persons detained under the involuntary treatment act under
19 chapter 71.05 RCW;

20 (d) A commitment by the applicant to maintain the beds or
21 facility for at least a ten-year period;

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

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

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

30 (2) In awarding funding for projects in this section, the
31 department, in consultation with the department of social and health
32 services, the health care authority, and behavioral health
33 organizations, must strive for geographic distribution and allocate
34 funding based on population and service needs of an area. The
35 department must consider current services available, anticipated
36 services available based on projects underway, and the service
37 delivery needs of an area.

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Part VIII
Bond Authorization

1 **NEW SECTION.** **Sec. 26.** (1) For the purposes of providing needed
2 capital improvements to increase behavioral health services in
3 community settings, the state finance committee is authorized to
4 issue general obligation bonds of the state of Washington in the sum
5 of five hundred million dollars, or so much thereof as may be
6 required, to finance all or a part of the cost of these projects and
7 all costs incidental thereto. The bonds issued under the authority of
8 this section shall be known as Washington behavioral health bonds.

9 (2) Bonds authorized in this section must be sold in the manner,
10 at the time or times, in amounts, and at such prices as the state
11 finance committee determines.

12 (3) The authorization to issue bonds contained in this chapter
13 does not expire until the full authorization has been issued.

14 (4) No bonds authorized in this section may be offered for sale
15 without prior legislative appropriation of the net proceeds of the
16 sale of the bonds.

17 **NEW SECTION.** **Sec. 27.** If the people ratify section 26 of this
18 act as specified under section 34(1) of this act, section 26 of this
19 act takes effect July 1, 2019.

20 **NEW SECTION.** **Sec. 28.** It is the intent of the legislature that
21 the proceeds of the new bonds authorized in section 26 of this act
22 will be dispersed in phases of one hundred million dollars per
23 biennium over five biennia, beginning with the 2019-2021 biennium.
24 This is not intended to limit the state's ability to disperse bond
25 proceeds if the full amount authorized in section 26 of this act has
26 not been dispersed after five biennia. The authorization to issue
27 bonds contained in section 26 of this act does not expire until the
28 full authorization has been issued and dispersed.

29 **NEW SECTION.** **Sec. 29.** (1) The proceeds from the sale of bonds
30 authorized in section 26 of this act shall be deposited in the
31 community behavioral health bond account, created in section 36 of
32 this act.

33 (2) If the state finance committee deems it necessary or
34 advantageous to issue taxable bonds in order to comply with federal
35 internal revenue service rules and regulations pertaining to the use
36 of nontaxable bond proceeds or in order to reduce the total financing
37 costs for bonds issued, the proceeds of taxable bonds shall be

1 transferred to the community behavioral health taxable bond account
2 created in section 35 of this act. The state treasurer shall submit
3 written notice to the director of financial management if it is
4 determined that any transfer to the community behavioral health
5 taxable bond account is necessary or that a transfer from the
6 community behavioral health taxable bond account to the community
7 behavioral health bond account may be made.

8 **NEW SECTION.** **Sec. 30.** (1) The nondebt-limit general fund bond
9 retirement account must be used for the payment of the principal of
10 and interest on the bonds authorized in section 26 of this act.

11 (2) The state finance committee must, on or before June 30th of
12 each year, certify to the state treasurer the amount needed in the
13 ensuing twelve months to meet the bond retirement and interest
14 requirements on the bonds authorized in section 26 of this act.

15 (3) On each date on which any interest or principal and interest
16 payment is due on bonds issued for the purposes of section 26 of this
17 act, the state treasurer shall withdraw from any general state
18 revenues received in the state treasury and deposit in the nondebt-
19 limit general fund bond retirement account an amount equal to the
20 amount certified by the state finance committee to be due on the
21 payment date.

22 **NEW SECTION.** **Sec. 31.** (1) Bonds issued under section 26 of this
23 act must state that they are a general obligation of the state of
24 Washington, must pledge the full faith and credit of the state to the
25 payment of the principal thereof and the interest thereon, and must
26 contain an unconditional promise to pay the principal and interest as
27 the same shall become due.

28 (2) The owner and holder of each of the bonds or the trustee for
29 the owner and holder of any of the bonds may by mandamus or other
30 appropriate proceeding require the transfer and payment of funds as
31 directed in this section.

32 **NEW SECTION.** **Sec. 32.** The legislature may provide additional
33 means for raising moneys for the payment of the principal of and
34 interest on the bonds authorized in section 26 of this act.

35 **NEW SECTION.** **Sec. 33.** The state finance committee is authorized
36 to prescribe the form, terms, conditions, and covenants of the bonds

provided for in this chapter, the time or times of sale of all or any portion of them, and the conditions and manner of their sale and issuance.

Part IX

Referendum Provisions

6 NEW SECTION. **SEC. 34.** (1) The secretary of state shall submit
7 sections 26 and 27 of this act to the people for their adoption and
8 ratification, or rejection, at the next general election to be held
9 in this state, in accordance with Article II, section 1 and Article
10 VIII, section 3 of the state Constitution and the laws adopted to
11 facilitate their operation.

12 (2) If the people ratify sections 26 and 27 of this act as
13 specified under subsection (1) of this section, revenues generated
14 shall be spent as detailed in this act.

15 (3) Pursuant to RCW 29A.72.050(6), the statement of subject and
16 concise description for the ballot title shall read: "The legislature
17 has passed Senate Bill No. . . . (this act), concerning community-
18 based behavioral health facilities throughout the state. This bill
19 would authorize bonds to expand community-based behavioral health
20 facilities to serve and treat the mentally ill."

Part IX

Technical Provisions

23 NEW SECTION. **Sec. 35.** The community behavioral health taxable
24 bond account is created in the state treasury. All receipts from
25 direct appropriations from the legislature or moneys directed to the
26 account from any other source must be deposited in the account.
27 Moneys in the account may be spent only after appropriation. The
28 account is intended to fund projects using taxable bonds.
29 Expenditures from the account are for community-based mental health
30 facilities, including but not limited to, evaluation and treatment
31 centers, crisis triage and stabilization centers, less restrictive
32 alternative step-down beds, enhanced service facilities,
33 detoxification centers, transitional and long-term housing, and
34 residential treatment centers.

1 NEW SECTION. **Sec. 36.** The community behavioral health bond
2 account is created in the state treasury. All receipts from direct
3 appropriations from the legislature or moneys directed to the account
4 from any other source must be deposited in the account. Moneys in the
5 account may be spent only after appropriation. The account is
6 intended to fund projects using tax exempt bonds. Expenditures from
7 the account are for community-based mental health facilities
8 including, but not limited to, evaluation and treatment centers,
9 crisis triage and stabilization centers, less restrictive alternative
10 step-down beds, enhanced service facilities, detoxification centers,
11 transitional and long-term housing, and residential treatment
12 centers.

13 NEW SECTION. **Sec. 37.** Sections 24 through 33, 35, and 36 of
14 this act constitute a new chapter in Title 43 RCW.

15 NEW SECTION. **Sec. 38.** Sections 24, 25, 28 through 33, 35, and
16 36 of this act take effect July 1, 2019."

17 Renumber the remaining section consecutively and correct any
18 internal references accordingly.

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19 On page 1, line 10 of the title, after "rifles;" insert
20 "expanding community-based behavioral health facilities through
21 issuance of state bonds;"

22 On page 1, line 17 of the title, after "28A.310 RCW;" insert
23 "adding a new chapter to Title 43 RCW;"

24 On page 1, line 18 of the title, after "penalties;" insert
25 "providing an effective date; providing a contingent effective date;"
26 and after "date;" insert "providing for submission of certain
27 sections of this act to a vote of the people;"

EFFECT: Authorizes the State Finance Committee to issue up to \$500 million in general obligation bonds to finance community-based mental health facilities. The bonds would be issued over 10 years.

Bond proceeds must be used for community-based mental health facilities including, but not limited to, evaluation and treatment centers, crisis triage and stabilization centers, less restrictive alternative step-down beds, enhanced service facilities, detoxification centers, transitional and long-term housing, and residential treatment centers.

Directs the Secretary of State to submit the bond authorization to a vote of the people.

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