

2 **ESSB 6108** - CONF REPT
3 By Conference Committee

4 ADOPTED 3/11/98

5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
8 to the provisions set forth in the following sections, the several
9 amounts specified in parts I through VIII of this act, or so much
10 thereof as shall be sufficient to accomplish the purposes designated,
11 are hereby appropriated and authorized to be incurred for salaries,
12 wages, and other expenses of the agencies and offices of the state and
13 for other specified purposes for the fiscalbiennium beginning July 1,
14 1997, and ending June 30, 1999, except as otherwise provided, out of
15 the several funds of the state hereinafter named.

16 (2) Unless the context clearly requires otherwise, the definitions
17 in this section apply throughout this act.

18 (a) "Fiscal year 1998" or "FY 1998" means the fiscal year ending
19 June 30, 1998.

20 (b) "Fiscal year 1999" or "FY 1999" means the fiscal year ending
21 June 30, 1999.

22 (c) "FTE" means full time equivalent.

23 (d) "Lapse" or "revert" means the amount shall return to an
24 unappropriated status.

25 (e) "Provided solely" means the specified amount may be spent only
26 for the specified purpose. Unless otherwise specifically authorized in
27 this act, any portion of an amount provided solely for a specified
28 purpose which is unnecessary to fulfill the specified purpose shall
29 lapse.

30 **PART I**

31 **GENERAL GOVERNMENT**

32 **Sec. 101.** 1997 c 149 s 101 (uncodified) is amended to read as
33 follows:

34 **FOR THE HOUSE OF REPRESENTATIVES**

1	General Fund Appropriation (FY 1998)	. . . . . \$	((24,241,000))
2			<u>24,221,000</u>
3	General Fund Appropriation (FY 1999)	. . . . . \$	((25,637,000))
4			<u>25,907,000</u>
5	<u>Department of Retirement Systems Expense</u>		
6	<u>Account Appropriation</u>	. . . . . \$	25,000
7	TOTAL APPROPRIATION	. . . . . \$	((49,878,000))
8			<u>50,153,000</u>

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

11 (1) \$75,000 of the general fund fiscal year 1998 appropriation and
12 \$75,000 of the general fund fiscal year 1999 appropriation are provided
13 solely for the independent operations of the legislative ethics board.
14 Expenditure decisions of the board, including employment of staff,
15 shall be independent of the senate and house of representatives.

16 (2) ~~((\$25,000 of the general fund fiscal year 1998 appropriation is
17 provided solely to implement Substitute Senate Concurrent Resolution
18 No. 8408 (water policy report). If the concurrent resolution is not
19 enacted by June 30, 1997, the amount provided in this subsection shall
20 lapse))~~ The department of retirement systems expense account
21 appropriation is provided solely to implement the provisions relating
22 to the actuarial audit of the pension contribution rates in Substitute
23 House Bill No. 2544 (funding state retirement systems). If the bill is
24 not enacted by June 30, 1998, the appropriation shall lapse.

25 (3) \$125,000 of the general fund--state appropriation for fiscal
26 year 1999 is provided solely for a review of the memorandum of
27 agreement signed between the United States environmental protection
28 agency and the department of ecology. The agreement requires the
29 department to conduct total maximum daily loads on polluted water
30 bodies as defined by the federal clean water act. The review may
31 include but is not limited to the department's program for implementing
32 the settlement, an examination of the decisions that affect how water
33 quality problems are defined, the causes of those problems, and the
34 means by which solutions to these problems are to be developed and
35 implemented.

36 **Sec. 102.** 1997 c 149 s 102 (uncodified) is amended to read as
37 follows:

38 **FOR THE SENATE**

1	General Fund Appropriation (FY 1998)	\$	19,357,000
2	General Fund Appropriation (FY 1999)	\$	((20,663,000))
3			<u>20,838,000</u>
4	<u>Department of Retirement Systems Expense Account</u>		
5	<u>Appropriation</u>	\$	<u>25,000</u>
6	TOTAL APPROPRIATION	\$	((40,020,000))
7			<u>40,220,000</u>

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

10 (1) \$75,000 of the general fund fiscal year 1998 appropriation and
11 \$75,000 of the general fund fiscal year 1999 appropriation are provided
12 solely for the independent operations of the legislative ethics board.
13 Expenditure decisions of the board, including employment of staff,
14 shall be independent of the senate and house of representatives.

15 (2) ~~((\$25,000 of the general fund fiscal year 1998 appropriation is
16 provided solely to implement Substitute Senate Concurrent Resolution
17 No. 8408 (water policy report). If the concurrent resolution is not
18 enacted by June 30, 1997, the amount provided in this subsection shall
19 lapse.~~

20 (3)) \$100,000 of the general fund appropriation for fiscal year
21 1998 is provided solely for a study of financial aid and tuition by the
22 senate committee on ways and means and the house of representatives
23 committee on appropriations.

24 (a) The study shall report on the current usage and distribution of
25 financial aid, investigate other resources available to financial aid
26 recipients, and shall compare alternative methods of financial aid
27 distribution and their impacts on the sectors of higher education and
28 students served within each sector.

29 (b) The study shall also provide comparative data from other states
30 on methods of establishing tuition rates and the relationship of
31 tuition to state funding.

32 (3) The department of retirement systems expense account
33 appropriation is provided solely to implement the provisions relating
34 to the actuarial audit of the pension contribution rates in Substitute
35 House Bill No. 2544 (funding state retirement systems). If the bill is
36 not enacted by June 30, 1998, the appropriation shall lapse.

37 (4) \$25,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$50,000 of the general fund--state appropriation for
39 fiscal year 1999 are provided solely for the legislature and the office

1 of financial management to contract jointly for a performance review of
2 the state long-term care system. The review shall result in
3 recommendations by October 1, 1998, on strategies for increasing the
4 long-term affordability and cost-effectiveness of the system, and shall
5 include a review of topics such as methods for matching service levels
6 to recipient needs, options for managing growth in entitlement
7 caseloads, and techniques for projecting the number of persons in need
8 of publicly funded services.

9 (5) \$125,000 of the general fund--state appropriation for fiscal
10 year 1999 is provided solely for a review of the memorandum of
11 agreement signed between the United States environmental protection
12 agency and the department of ecology. The agreement requires the
13 department to conduct total maximum daily loads on polluted water
14 bodies as defined by the federal clean water act. The review may
15 include but is not limited to the department's program for implementing
16 the settlement, an examination of the decisions that affect how water
17 quality problems are defined, the causes of those problems, and the
18 means by which solutions to these problems are to be developed and
19 implemented.

20 **Sec. 103.** 1997 c 454 s 101 (uncodified) is amended to read as
21 follows:

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

23	General Fund Appropriation (FY 1998)	\$((1,421,000))
24		<u>1,371,000</u>
25	General Fund Appropriation (FY 1999)	\$((1,425,000))
26		<u>1,890,000</u>
27	TOTAL APPROPRIATION	\$((2,846,000))
28		<u>3,261,000</u>

29 The appropriations in this section are subject to the following
30 conditions and limitations: ~~((\$50,000 of the general fund~~
31 ~~appropriation for fiscal year 1998 is provided solely to implement~~
32 ~~Substitute Senate Bill No. 5071 (school district territory). If the~~
33 ~~bill is not enacted by June 30, 1997, the amount provided in this~~
34 ~~subsection shall lapse.))~~

35 (1) \$340,000 of the general fund appropriation for fiscal year 1999
36 is provided solely for a study of the system of finance of the
37 Washington common schools as required by section 501 of this act.

1 (2) \$75,000 of the general fund appropriation for fiscal year 1999
2 is provided solely for completion of a management audit of the division
3 of developmental disabilities within the department of social and
4 health services. The objectives of the review shall include, but are
5 not limited to: (a) An analysis and evaluation of the current
6 organizational structures, management practices, and performance
7 measures that are in place to fulfill statutory responsibilities; (b)
8 an assessment of the impact of overlapping statutory or administrative
9 code responsibilities with other department of social and health
10 services divisions and other state agencies; and (c) development of
11 recommendations, as appropriate, that would result in significant
12 management improvements in the division's operations. The audit report
13 shall be provided to the senate committee on ways and means and the
14 house of representatives committee on appropriations by January 8,
15 1999.

16 (3) \$50,000 of the general fund appropriation for fiscal year 1999
17 is provided solely for a study of: (a) The effect of the state
18 certificate of need program under chapter 70.38 RCW on the cost,
19 quality, and availability of hospital, ambulatory surgery, home health,
20 hospice, and kidney disease treatment services; and (b) the effect the
21 repeal of the program would have on the cost, quality, and availability
22 of any of these services, and on the availability of charity care and
23 of health facilities and services in rural areas, including the
24 experience in other states where such programs have been fully or
25 partially repealed. The study shall be submitted to the legislature by
26 January 1, 1999.

27 **Sec. 104.** 1997 c 149 s 104 (uncodified) is amended to read as
28 follows:

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

30 General Fund Appropriation (FY 1998)	\$ 1,263,000
31 General Fund Appropriation (FY 1999)	\$((1,332,000))
32	1,482,000
33 TOTAL APPROPRIATION	\$((2,595,000))
34	2,745,000

35 The appropriations in this section are subject to the following
36 conditions and limitations: The committee shall conduct an inventory
37 and examination of state data processing projects funded in this act

1 and make recommendations to improve the accountability and legislative
2 evaluation and oversight of these projects.

3 **Sec. 105.** 1997 c 149 s 110 (uncodified) is amended to read as
4 follows:

5 **FOR THE COURT OF APPEALS**

6	General Fund Appropriation (FY 1998)	. . . . .	\$ (10,225,000)
7			<u>10,340,000</u>
8	General Fund Appropriation (FY 1999)	. . . . .	\$ (10,133,000)
9			<u>10,307,000</u>
10	TOTAL APPROPRIATION	. . . . .	\$ (20,358,000)
11			<u>20,647,000</u>

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

14 (1) \$271,000 of the general fund fiscal year 1999 appropriation is
15 provided solely for an additional judge position and related support
16 staff in division I in King county, effective July 1, 1998.

17 (2) \$490,000 of the general fund fiscal year 1998 appropriation is
18 provided solely for remodeling existing space in division I court
19 facilities to house additional staff.

20 **Sec. 106.** 1997 c 149 s 111 (uncodified) is amended to read as
21 follows:

22 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

23	General Fund Appropriation (FY 1998)	. . . . .	\$ ((652,000))
24			<u>692,000</u>
25	General Fund Appropriation (FY 1999)	. . . . .	\$ ((653,000))
26			<u>714,000</u>
27	TOTAL APPROPRIATION	. . . . .	\$ ((1,305,000))
28			<u>1,406,000</u>

29 **Sec. 107.** 1997 c 149 s 112 (uncodified) is amended to read as
30 follows:

31 **FOR THE ADMINISTRATOR FOR THE COURTS**

32	General Fund Appropriation (FY 1998)	. . . . .	\$ 12,723,000
33	General Fund Appropriation (FY 1999)	. . . . .	\$ ((12,595,000))
34			<u>12,770,000</u>
35	Public Safety and Education Account		
36	Appropriation	. . . . .	\$ ((31,134,000))

1		<u>27,709,000</u>
2	Judicial Information Systems Account	
3	Appropriation	\$ ((16,305,000))
4		<u>17,489,000</u>
5	TOTAL APPROPRIATION	\$ ((72,757,000))
6		<u>70,691,000</u>

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

9 (1) Funding provided in the judicial information systems account
10 appropriation shall be used for the operations and maintenance of
11 technology systems that improve services provided by the supreme court,
12 the court of appeals, the office of public defense, and the office of
13 the administrator for the courts. \$400,000 of the judicial information
14 systems account appropriation is provided solely for the year 2000 date
15 conversion.

16 (2) No moneys appropriated in this section may be expended by the
17 administrator for the courts for payments in excess of fifty percent of
18 the employer contribution on behalf of superior courts judges for
19 insurance and health care plans and federal social security and
20 medicare and medical aid benefits. Consistent with Article IV, section
21 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,
22 it is the intent of the legislature that the cost of these employer
23 contributions shall be shared equally between the state and county or
24 counties in which the judges serve. The administrator for the courts
25 shall continue to implement procedures for the collection and
26 disbursement of these employer contributions.

27 (3) ((~~\$6,510,000~~)) \$3,255,000 of the public safety and education
28 account appropriation is provided solely for the continuation of
29 treatment alternatives to street crimes (TASC) programs in Pierce,
30 Snohomish, Clark, King, Spokane, and Yakima counties.

31 (4) \$125,000 of the public safety and education account
32 appropriation is provided solely for the workload associated with the
33 increase in state cases filed in Thurston county superior court.

34 (5) \$223,000 of the public safety and education account
35 appropriation is provided solely for the gender and justice commission.

36 (6) \$308,000 of the public safety and education account
37 appropriation is provided solely for the minority and justice
38 commission.

1 (7) \$100,000 of the general fund fiscal year 1998 appropriation and
2 \$100,000 of the general fund fiscal year 1999 appropriation are
3 provided solely for judicial program enhancements. Within the funding
4 provided in this subsection, the office of administrator of courts in
5 consultation with the supreme court shall determine the program or
6 programs to receive an enhancement.

7 (8) \$35,000 of the general fund fiscal year 1998 appropriation is
8 provided solely for the implementation of Engrossed Substitute House
9 Bill No. 1771 (guardian certification). If the bill is not enacted by
10 June 30, 1997, the amount provided in this subsection shall lapse.

11 (9) \$100,000 of the general fund fiscal year 1998 appropriation is
12 provided solely for the Snohomish county preprosecution diversion
13 program.

14 (10) \$175,000 of the general fund appropriation for fiscal year
15 1999 is provided solely for costs associated with the publication and
16 distribution of a judicial voter pamphlet for the 1998 primary
17 election.

18 **Sec. 108.** 1997 c 149 s 113 (uncodified) is amended to read as
19 follows:

20 **FOR THE OFFICE OF PUBLIC DEFENSE**

21 Public Safety and Education Account

22 Appropriation \$ ((12,187,000))
23 12,103,000

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

26 (1) The cost of defending indigent offenders in death penalty cases
27 has escalated significantly over the last four years. The office of
28 public defense advisory committee shall analyze the current methods for
29 reimbursing private attorneys and shall develop appropriate standards
30 and criteria designed to control costs and still provide indigent
31 defendants their constitutional right to representation at public
32 expense. The office of public defense advisory committee shall report
33 its findings and recommendations to the supreme court and the
34 appropriate legislative committees by September 30, 1998.

35 (2) \$688,000 of the public safety and education account
36 appropriation is provided solely to increase the reimbursement for
37 private attorneys providing constitutionally mandated indigent defense
38 in nondeath penalty cases.

1 **Sec. 109.** 1997 c 149 s 114 (uncodified) is amended to read as
2 follows:

3 **FOR THE OFFICE OF THE GOVERNOR**

4	General Fund--State Appropriation (FY 1998) . . . \$	((5,047,000))
5		<u>5,068,000</u>
6	General Fund--State Appropriation (FY 1999) . . . \$	((4,963,000))
7		<u>5,520,000</u>
8	General Fund--Federal Appropriation \$	((188,000))
9		<u>553,000</u>
10	Water Quality Account Appropriation \$	700,000
11	TOTAL APPROPRIATION \$	((10,898,000))
12		<u>11,841,000</u>

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

15 (1) \$1,618,000 of the general fund--state appropriation for fiscal
16 year 1998, \$1,520,000 of the general fund--state appropriation for
17 fiscal year 1999, \$700,000 of the water quality account appropriation,
18 and \$188,000 of the general fund--federal appropriation are provided
19 solely for the implementation of the Puget Sound work plan and agency
20 action items PSAT-01 through PSAT-06.

21 (2) \$12,000 of the general fund--state appropriation for fiscal
22 year 1998 and \$13,000 of the general fund--state appropriation for
23 fiscal year 1999 are provided for the state law enforcement medal of
24 honor committee for the purposes of recognizing qualified law
25 enforcement officers as provided by chapter 41.72 RCW.

26 (3) \$21,000 of the general fund--state appropriation for fiscal
27 year 1998 and \$57,000 of the general fund--state appropriation for
28 fiscal year 1999 are provided solely for the office of the family and
29 children's ombudsman for the Wenatchee investigation, support staff,
30 and increased travel costs.

31 (4) \$500,000 of the general fund--state appropriation for fiscal
32 year 1999 is provided solely for implementation of the salmon recovery
33 office in accordance with sections 3 through 5 of Engrossed Substitute
34 House Bill No. 2496 (salmon recovery planning). If any of sections 3
35 through 5 of the bill are not enacted by June 30, 1998, the amount
36 provided in this subsection shall lapse.

37 **Sec. 110.** 1997 c 149 s 116 (uncodified) is amended to read as
38 follows:

1 **FOR THE PUBLIC DISCLOSURE COMMISSION**

2	General Fund Appropriation (FY 1998)	. . . . .	\$((1,457,000))
3			<u>1,568,000</u>
4	General Fund Appropriation (FY 1999)	. . . . .	\$((1,206,000))
5			<u>1,262,000</u>
6	TOTAL APPROPRIATION	. . . . .	\$((2,663,000))
7			<u>2,830,000</u>

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

10 (1) \$306,000 of the general fund fiscal year 1998 appropriation and
11 \$72,000 of the general fund fiscal year 1999 appropriation are provided
12 solely for technology for customer service improvements.

13 (2) \$111,000 of the fiscal year 1998 general fund appropriation is
14 provided for attorney general services for the public disclosure
15 commission's investigations of the Washington education association and
16 the building industry association of Washington, and other cases.

17 **Sec. 111.** 1997 c 149 s 117 (uncodified) is amended to read as
18 follows:

19 **FOR THE SECRETARY OF STATE**

20	General Fund Appropriation (FY 1998)	. . . . .	\$ ((8,055,000))
21			<u>7,970,000</u>
22	General Fund Appropriation (FY 1999)	. . . . .	\$ ((5,901,000))
23			<u>7,899,000</u>
24	Archives & Records Management Account--State		
25	Appropriation		\$ 4,032,000
26	Archives & Records Management Account--Private/Local		
27	Appropriation		\$ ((2,553,000))
28			<u>2,833,000</u>
29	Department of Personnel Service Account		
30	Appropriation		\$ 663,000
31	TOTAL APPROPRIATION	. . . . .	\$ ((21,204,000))
32			<u>23,397,000</u>

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

35 (1) ~~(\$2,355,000)~~ \$2,255,000 of the general fund appropriation for
36 fiscal year 1998 is provided solely to reimburse counties for the

1 state's share of primary and general election costs and the costs of
2 conducting mandatory recounts on state measures.

3 (2) \$2,011,000 of the general fund appropriation for fiscal year
4 1998 and \$2,536,000 of the general fund appropriation for fiscal year
5 1999 are provided solely for the verification of initiative and
6 referendum petitions, maintenance of related voter registration
7 records, and the publication and distribution of the voters and
8 candidates pamphlet.

9 (3) \$99,000 of the general fund appropriation is provided solely
10 for the state's participation in the United States census block
11 boundary suggestion program.

12 (4) \$125,000 of the fiscal year 1998 general fund appropriation is
13 provided solely for legal advertising of state measures under RCW
14 29.27.072.

15 (5) \$45,000 of the general fund fiscal year 1998 appropriation is
16 provided solely for an economic feasibility study of a state horse
17 park.

18 (6) The election review section under chapter 29.60 RCW shall be
19 administered in a manner consistent with Engrossed Senate Bill No. 5565
20 (election procedures review).

21 (7)(a) \$1,850,000 of the general fund appropriation for fiscal year
22 1999 is provided solely for contracting with a nonprofit organization
23 to produce gavel-to-gavel television coverage of state government
24 deliberations and other events of state-wide significance during fiscal
25 year 1999. An eligible nonprofit organization must be formed solely
26 for the purpose of, and be experienced in, providing gavel-to-gavel
27 television coverage of state government deliberations and other events
28 of state-wide significance and must have received a determination of
29 tax-exempt status under section 501(c)(3) of the federal internal
30 revenue code.

31 (b) The legislature finds that the commitment of on-going funding
32 is necessary to ensure continuous, autonomous, and independent coverage
33 of public affairs. For that purpose, the secretary of state shall
34 enter into a four-year contract with the nonprofit organization to
35 provide public affairs coverage through June 30, 2002. The funding
36 level for each year of the contract shall be based on the amount
37 provided in this subsection and adjusted to reflect the implicit price
38 deflator for the previous year. The nonprofit organization shall be
39 required to raise contributions or commitments to make contributions,

1 in cash or in kind, in an amount equal to forty percent of the state
2 contribution.

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

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

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

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

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

18 (8) \$280,000 of the archives and records management account--
19 private/local appropriation is provided solely for preserving and
20 restoring security microfilm.

21 **Sec. 112.** 1997 c 149 s 120 (uncodified) is amended to read as
22 follows:

23 **FOR THE STATE TREASURER**

24 State Treasurer's Service Account

25 Appropriation \$ ((11,567,000))
26 12,382,000

27 **Sec. 113.** 1997 c 149 s 121 (uncodified) is amended to read as
28 follows:

29 **FOR THE STATE AUDITOR**

30 General Fund Appropriation (FY 1998) \$ ((678,000))
31 688,000

32 General Fund Appropriation (FY 1999) \$ ((678,000))
33 1,193,000

34 State Auditing Services Revolving Account

35 Appropriation \$ ((11,928,000))
36 12,373,000

37 TOTAL APPROPRIATION \$ ((13,284,000))

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

4 (1) Audits of school districts by the division of municipal
5 corporations shall include findings regarding the accuracy of: (a)
6 Student enrollment data; and (b) the experience and education of the
7 district's certified instructional staff, as reported to the
8 superintendent of public instruction for allocation of state funding.

9 (2) \$420,000 of the general fund appropriation for fiscal year 1998
10 and \$420,000 of the general fund appropriation for fiscal year 1999 are
11 provided solely for staff and related costs to audit special education
12 programs that exhibit unusual rates of growth, extraordinarily high
13 costs, or other characteristics requiring attention of the state safety
14 net committee, and other school districts for baseline purposes and to
15 determine if there are common errors. The auditor shall consult with
16 the superintendent of public instruction regarding training and other
17 staffing assistance needed to provide expertise to the audit staff.

18 (3) \$250,000 of the general fund fiscal year 1998 appropriation and
19 \$250,000 of the general fund fiscal year 1999 appropriation are
20 provided solely for the budget and reporting system (BARS) to improve
21 the reporting of local government fiscal data. Audits of counties and
22 cities by the division of municipal corporations shall include findings
23 regarding the completeness, accuracy, and timeliness of BARS data
24 reported to the state auditor's office.

25 (4) The state auditor shall develop recommendations and curricula
26 for preventing instances of improper governmental actions as defined in
27 chapter 42.20 RCW, the state whistleblower act. In developing these
28 recommendations and curricula, the state auditor shall involve the
29 office of financial management, office of the attorney general,
30 executive ethics board, department of personnel, employee
31 organizations, and other interested parties. These recommendations
32 shall be submitted to the governor and the legislature by June 30,
33 1998.

34 (5) \$120,000 of the auditing services revolving fund appropriation
35 is provided solely to implement Engrossed Second Substitute House Bill
36 No. 2881 (auditing state contractors). If the bill is not enacted by
37 June 30, 1998, the amount provided in this subsection shall lapse.

38 (6) \$25,000 of the general fund fiscal year 1999 appropriation is
39 provided solely to implement Engrossed Second Substitute House Bill No.

1 2831 (a joint report to the legislature on the results of cost studies
 2 and service quality and reliability reports from electric utilities).
 3 If the bill is not enacted by June 30, 1998, the amount provided in
 4 this subsection shall lapse. No fee may be collected from the electric
 5 utilities for this joint report.

6 (7) \$10,000 of the general fund fiscal year 1998 appropriation and
 7 \$490,000 of the general fund fiscal year 1999 appropriation are
 8 provided solely for staff and related costs to: Verify the accuracy of
 9 reported school district data submitted for state funding purposes or
 10 program audits of state funded public school programs; and establish
 11 the specific amount of funds to be recovered whenever the amount is not
 12 firmly established in the course of any public school audits conducted
 13 by the state auditor's office. The results of the audits shall be
 14 submitted to the superintendent of public instruction for corrections
 15 of data and adjustments of funds.

16 **Sec. 114.** 1997 c 149 s 122 (uncodified) is amended to read as
 17 follows:

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

19	General Fund Appropriation (FY 1998)	. . . . .	\$	((4,000))
20				<u>11,000</u>
21	General Fund Appropriation (FY 1999)	. . . . .	\$	63,000
22	TOTAL APPROPRIATION	. . . . .	\$	((67,000))
23				<u>74,000</u>

24 **Sec. 115.** 1997 c 149 s 123 (uncodified) is amended to read as
 25 follows:

26 **FOR THE ATTORNEY GENERAL**

27	General Fund--State Appropriation (FY 1998)	. . .	\$	((4,361,000))
28				<u>4,161,000</u>
29	General Fund--State Appropriation (FY 1999)	. . .	\$	((3,631,000))
30				<u>3,831,000</u>
31	General Fund--Federal Appropriation	. . . . .	\$	2,248,000
32	Public Safety and Education Account			
33	Appropriation	. . . . .	\$	((1,300,000))
34				<u>1,291,000</u>
35	New Motor Vehicle Arbitration Account			
36	Appropriation	. . . . .	\$	1,094,000
37	Legal Services Revolving Account			

1	Appropriation	\$	((125,008,000))
2			<u>125,758,000</u>
3	TOTAL APPROPRIATION	\$	((137,642,000))
4			<u>138,383,000</u>

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

7 (1) The attorney general shall report each fiscal year on actual
8 legal services expenditures and actual attorney staffing levels for
9 each agency receiving legal services. The report shall be submitted to
10 the office of financial management and the fiscal committees of the
11 senate and house of representatives no later than ninety days after the
12 end of each fiscal year.

13 (2) The attorney general shall include, at a minimum, the following
14 information with each bill sent to agencies receiving legal services:

15 (a) The number of hours and cost of attorney services provided during
16 the billing period; (b) cost of support staff services provided during
17 the billing period; (c) attorney general overhead and central support
18 costs charged to the agency for the billing period; (d) direct legal
19 costs, such as filing and docket fees, charged to the agency for the
20 billing period; and (e) other costs charged to the agency for the
21 billing period. The attorney general may, with approval of the office
22 of financial management change its billing system to meet the needs of
23 its user agencies.

24 (3) \$300,000 of the fiscal year 1998 general fund--state
25 appropriation is provided for a comprehensive assessment of
26 environmental and public health impacts and for other costs related to
27 pursuing remedies for pollution in the Spokane river basin.

28 (4) ~~((\$640,000))~~ \$440,000 of the fiscal year 1998 general fund--
29 state appropriation and ~~((\$210,000))~~ \$410,000 of the fiscal year 1999
30 general fund--state appropriation are provided solely to implement the
31 supervision management and recidivist tracking program to allow the
32 department of corrections and local law enforcement agencies to share
33 information concerning the activities of offenders on community
34 supervision. ~~((No information on any person may be entered into or
35 retained in the program unless the person is under the jurisdiction of
36 the department of corrections.))~~

37 (5) Within the amounts provided in this section, the attorney
38 general shall implement Second Substitute House Bill No. 2027

1 (regulating travel sales). If the bill is not enacted by June 30,
2 1998, this subsection is null and void.

3 **Sec. 116.** 1997 c 149 s 124 (uncodified) is amended to read as
4 follows:

5 **FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS**

6 Securities Regulation Account Appropriation \$((~~5,445,000~~)
7 5,482,000

8 The appropriation in this section is subject to the following
9 conditions and limitations: \$34,000 of the securities regulation
10 account appropriation is provided solely for the implementation of
11 Engrossed House Bill No. 3901 (implementing welfare reform). If the
12 bill is not enacted by June 30, 1997, the amount provided shall lapse.

13 **Sec. 117.** 1997 c 454 s 103 (uncodified) is amended to read as
14 follows:

15 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT**

16 General Fund--State Appropriation (FY 1998) . . . \$ ((~~57,361,000~~)
17 57,078,000

18 General Fund--State Appropriation (FY 1999) . . . \$ ((~~56,351,000~~)
19 61,451,000

20 General Fund--Federal Appropriation \$ ((~~155,278,000~~)
21 164,000,000

22 General Fund--Private/Local Appropriation \$ 6,903,000

23 Public Safety and Education Account
24 Appropriation \$ ((~~8,781,000~~)
25 8,720,000

26 Public Works Assistance Account
27 Appropriation \$ 2,223,000

28 Building Code Council Account Appropriation . . . \$ ((~~1,318,000~~)
29 1,366,000

30 Administrative Contingency Account
31 Appropriation \$ 1,776,000

32 Low-Income Weatherization Assistance Account
33 Appropriation \$ 923,000

34 Violence Reduction and Drug Enforcement Account
35 Appropriation \$ 6,042,000

36 Manufactured Home Installation Training Account
37 Appropriation \$ 250,000

1	Washington Housing Trust Account	
2	Appropriation	\$ 7,999,000
3	Public Facility Construction Loan Revolving Account	
4	Appropriation	\$ 515,000
5	<u>Clean Washington Account Appropriation (FY 1998)</u>	<u>\$ 11,000</u>
6	TOTAL APPROPRIATION	\$ ((305,720,000))
7		<u>319,257,000</u>

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

10 (1) ((~~\$3,282,500~~)) \$2,962,500 of the general fund--state
11 appropriation for fiscal year 1998 and ((~~\$3,282,500~~)) \$3,602,500 of the
12 general fund--state appropriation for fiscal year 1999 are provided
13 solely for a contract with the Washington technology center. For work
14 essential to the mission of the Washington technology center and
15 conducted in partnership with universities, the center shall not pay
16 any increased indirect rate nor increases in other indirect charges
17 above the absolute amount paid during the 1995-97 biennium.

18 (2) \$155,000 of the general fund--state appropriation for fiscal
19 year 1998 and ((~~\$155,000~~)) \$445,000 of the general fund--state
20 appropriation for fiscal year 1999 are provided solely for a contract
21 with the Washington manufacturing extension partnership.

22 (3) \$9,964,000 of the general fund--federal appropriation is
23 provided solely for the drug control and system improvement formula
24 grant program, to be distributed in state fiscal year 1998 as follows:

25 (a) \$3,603,250 to local units of governments to continue the multi-
26 jurisdictional narcotics task forces;

27 (b) \$500,000 to the department to continue the state-wide drug
28 prosecution assistance program in support of multijurisdictional
29 narcotics task forces;

30 (c) \$1,306,075 to the Washington state patrol for coordination,
31 investigative, and supervisory support to the multijurisdictional
32 narcotics task forces and for methamphetamine education and response;

33 (d) \$240,000 to the department for grants to support tribal law
34 enforcement needs;

35 (e) \$900,000 to drug courts in eastern and western Washington;

36 (f) \$300,000 to the department for grants to provide sentencing
37 alternatives training programs to defenders;

38 (g) \$200,000 for grants to support substance-abuse treatment in
39 county jails;

1 (h) \$517,075 to the department for legal advocacy for victims of
2 domestic violence and for training of local law enforcement officers
3 and prosecutors on domestic violence laws and procedures;

4 (i) \$903,000 to the department to continue youth violence
5 prevention and intervention projects;

6 (j) \$91,000 for the governor's council on substance abuse;

7 (k) \$99,000 for program evaluation and monitoring;

8 (l) \$100,000 for the department of corrections for a feasibility
9 study of replacing or updating the offender based tracking system.

10 (m) \$498,200 for development of a state-wide system to track
11 criminal history records; and

12 (n) No more than \$706,400 to the department for grant
13 administration and reporting.

14 These amounts represent the maximum Byrne grant expenditure
15 authority for each program. No program may expend Byrne grant funds in
16 excess of the amounts provided in this section. If moneys in excess of
17 those appropriated in this section become available, whether from prior
18 or current fiscal year Byrne grant distributions, the department shall
19 hold these moneys in reserve and may not expend them without a specific
20 appropriation. These moneys shall be carried forward and applied to
21 the pool of moneys available for appropriation for programs and
22 projects in the succeeding fiscal year. As part of its budget request
23 for the succeeding fiscal year, the department shall estimate and
24 request authority to spend any funds remaining in reserve as a result
25 of this subsection.

26 (4) \$11,715,000 of the general fund--federal appropriation is
27 provided solely for the drug control and system improvement formula
28 grant program, to be distributed in state fiscal year 1999 as follows:

29 (a) \$3,878,250 to local units of government to continue
30 multijurisdictional narcotics task forces;

31 (b) \$531,000 to the department to continue the drug prosecution
32 assistance program in support of multijurisdictional narcotics task
33 forces;

34 (c) \$1,363,075 to the Washington state patrol for coordination,
35 investigative, and supervisory support to the multijurisdictional
36 narcotics task forces and for methamphetamine education and response;

37 (d) \$256,000 to the department for grants to support tribal law
38 enforcement needs;

39 (e) \$1,093,000 to drug courts in eastern and western Washington;

1 (f) \$312,000 to the department for grants assisting in the
2 development, conduct, and training on sentencing alternatives;

3 (g) \$261,000 to the department to continue a substance-abuse
4 treatment in jails program, to test the effect of treatment on future
5 criminal behavior;

6 (h) \$581,075 to the department to continue domestic violence legal
7 advocacy;

8 (i) \$949,000 to the department to continue youth violence
9 prevention and intervention projects;

10 (j) \$91,000 to the department to continue the governor's council on
11 substance abuse;

12 (k) \$99,000 to the department to continue evaluation of Byrne
13 formula grant programs;

14 (l) \$1,496,200 to the office of financial management for the
15 criminal history records improvement program; and

16 (m) \$804,400 to the department for required grant administration,
17 monitoring and reporting on Byrne formula grant programs.

18 These amounts represent the maximum Byrne grant expenditure
19 authority for each program. No program may expend Byrne grant funds in
20 excess of the amounts provided in this subsection. If moneys in excess
21 of those appropriated in this subsection become available, whether from
22 prior or current fiscal year Byrne grant distributions, the department
23 shall hold these moneys in reserve and may not expend them without
24 specific appropriation. These moneys shall be carried forward and
25 applied to the pool of moneys available for appropriation for programs
26 and projects in the succeeding fiscal year. As part of its budget
27 request for the succeeding year, the department shall estimate and
28 request authority to spend any funds remaining in reserve as a result
29 of this subsection.

30 ((+4)) (5) \$1,000,000 of the general fund fiscal year 1998
31 appropriation and \$1,000,000 of the general fund fiscal year 1999
32 appropriation are provided solely to implement Engrossed Substitute
33 House Bill No. 1576 (buildable lands) or Senate Bill No. 6094 (growth
34 management). If neither bill is enacted by June 30, 1997, the amounts
35 provided in this subsection shall lapse.

36 ((+5) \$4,800,000) (6) \$4,766,000 of the public safety and
37 education account appropriation, \$1,000,000 of the fiscal year 1998
38 general fund--state appropriation, and ((\$1,000,000)) \$1,034,000 of the
39 fiscal year 1999 general fund--state appropriation are provided solely

1 for indigent civil legal representation services contracts and
2 contracts administration. The amounts provided in this subsection are
3 contingent upon enactment of section 2 of Engrossed Substitute House
4 Bill No. 2276 (civil legal services for indigent persons). If section
5 2 of the bill is not enacted by June 30, 1997, the amount provided in
6 this subsection shall lapse.

7 ~~((+6+))~~ (7) \$643,000 of the general fund--state fiscal year 1998
8 appropriation and \$643,000 of the general fund--state fiscal year 1999
9 appropriation are provided solely to increase payment rates for
10 contracted early childhood education assistance program providers. It
11 is the legislature's intent that these amounts shall be used primarily
12 to increase compensation for persons employed in direct, front-line
13 service delivery.

14 ~~((+7+))~~ (8) \$75,000 of the general fund--state fiscal year 1998
15 appropriation and \$75,000 of the general fund--state fiscal year 1999
16 appropriation are provided solely as a grant for the community
17 connections program in Walla Walla county.

18 ~~((+8+))~~ (9) \$300,000 of the general fund--state fiscal year 1998
19 appropriation and \$300,000 of the general fund--state fiscal year 1999
20 appropriation are provided solely to contract with the Washington state
21 association of court-appointed special advocates/guardians ad litem
22 (CASA/GAL) to establish pilot programs in three counties to recruit
23 additional community volunteers to represent the interests of children
24 in dependency proceedings. Of this amount, a maximum of \$30,000 shall
25 be used by the department to contract for an evaluation of the
26 effectiveness of CASA/GAL in improving outcomes for dependent children.
27 The evaluation shall address the cost-effectiveness of CASA/GAL and to
28 the extent possible, identify savings in other programs of the state
29 budget where the savings resulted from the efforts of the CASA/GAL
30 volunteers. The department shall report to the governor and
31 legislature by October 15, 1998.

32 ~~((+9+))~~ (10) \$75,000 of the general fund--state appropriation for
33 fiscal year 1999 is provided solely for state sponsorship of the "BIO
34 99" international biotechnology conference and exhibition in the
35 Seattle area in 1999.

36 ~~((+10+))~~ (11) \$698,000 of the general fund--state appropriation for
37 fiscal year 1998, \$697,000 of the general fund--state appropriation for
38 fiscal year 1999, and \$1,101,000 of the administrative contingency

1 account appropriation are provided solely for contracting with
2 associate development organizations.

3 ~~((11))~~ (12) \$50,000 of the general fund--state appropriation for
4 fiscal year 1998 and \$50,000 of the general fund--state appropriation
5 for fiscal year 1999 are provided solely to expand the long-term care
6 ombudsman program.

7 ~~((12))~~ (13) \$60,000 of the general fund--state appropriation for
8 fiscal year 1998 and \$60,000 of the general fund--state appropriation
9 for fiscal year 1999 are provided solely for implementation of the
10 Puget Sound work plan action item DCTED-01.

11 ~~((13))~~ (14) \$20,000 of the general fund--state appropriation for
12 fiscal year 1998 is provided solely for a task force on tourism
13 promotion and development. The task force shall report to the
14 legislature on its findings and recommendations by January 31, 1998.

15 ~~((14))~~ (15) \$61,000 of the general fund--state appropriation for
16 fiscal year 1998 and \$60,000 of the general fund--state appropriation
17 for fiscal year 1999 are provided solely for the pacific northwest
18 economic region (PNWER).

19 ~~((15))~~ (16) \$123,000 of the general fund--state appropriation for
20 fiscal year 1998 and \$124,000 of the general fund--state appropriation
21 for fiscal year 1999 are provided solely for the community development
22 finance program.

23 ~~((16))~~ (17) Within the appropriations provided in this section,
24 the department shall conduct a study of possible financial incentives
25 to assist in revitalization of commercial areas and report its findings
26 and recommendations to the appropriate committees of the legislature by
27 November 15, 1997.

28 (18) \$49,000 of the general fund--state appropriation for fiscal
29 year 1999 is provided solely to implement section 11 of Engrossed
30 Second Substitute House Bill No. 2345 (revising administrative law).
31 If section 11 of the bill is not enacted by June 30, 1998, the amount
32 provided in this subsection shall lapse.

33 (19) \$1,000,000 of the general fund--state appropriation for fiscal
34 year 1999 is provided solely for the development of housing for low-
35 income temporary or migrant farm workers through grants awarded after
36 the effective date of this act. The legislature finds that providing
37 housing for low-income temporary or migrant workers is a public
38 purpose. The department shall prioritize grants and shall award grants
39 on a competitive basis to local governments, nonprofit corporations, or

1 other nonprofit entities. Grant moneys awarded by the department under
2 this subsection may be matched by nonstate sources on a dollar-for-
3 dollar basis, in cash or in-kind. Of the amount provided in this
4 subsection, \$100,000 is provided solely for restroom and shower
5 facilities at the Horn Rapids Park in Benton county; no match need be
6 provided for this project. The amount provided in this subsection is
7 contingent upon enactment of sections 1 through 8 of Second Substitute
8 Senate Bill No. 6168. If any of these sections of the bill are not
9 enacted by June 30, 1998, this subsection is null and void, and the
10 amounts provided in this subsection shall lapse. Any amounts provided
11 in this subsection not committed to grants by June 30, 1999, shall
12 lapse.

13 (20) \$275,000 of the general fund--state appropriation for fiscal
14 year 1999 is provided solely for coastal erosion project grants to the
15 city of Ocean Shores.

16 (21) \$191,000 of the general fund--state appropriation for fiscal
17 year 1999 is provided solely for the implementation of Substitute House
18 Bill No. 2556 (child abuse prevention and treatment). If the bill is
19 not enacted by June 30, 1998, the amount provided in this subsection
20 shall lapse.

21 (22) \$965,000 of the general fund--state appropriation for fiscal
22 year 1999 is provided solely for the implementation of Substitute
23 Senate Bill No 6655 (Spokane intercollegiate research and technology
24 institute).

25 (23) \$92,000 of the general fund--state appropriation for fiscal
26 year 1999 is provided solely for the implementation of Engrossed
27 Substitute Senate Bill No. 6560 (electric power customer rights). For
28 any portion of the appropriation that is expended for contracted
29 services, the department shall: (a) Form an advisory committee
30 consisting of representatives from public utility districts and
31 residential, commercial, and industrial customers; and (b) submit for
32 review and approval by the advisory committee the request for proposal
33 and selection of the successful bidder or bidders. If the bill is not
34 enacted by June 30, 1998, the amount provided in this subsection shall
35 lapse.

36 (24) \$383,000 of the general fund--state appropriation for fiscal
37 year 1999 is provided solely for the emergency food assistance program.

38 (25) \$120,000 of the general fund--state appropriation for fiscal
39 year 1999 is provided solely for grants to licensed overnight youth

1 shelters for the purpose of assisting the shelters in meeting the
 2 minimum requirements for receiving a license under chapter 74.15 RCW.
 3 The department may provide grants of up to twenty thousand dollars per
 4 year for each shelter. Only shelters that are currently licensed are
 5 eligible to receive the grants. Funds may be used for the following
 6 purposes, including but not limited to: Additional staff, food,
 7 facility maintenance, or beds, provided that these costs are necessary
 8 to meet the licensing and facility standards adopted by the department
 9 of social and health services. For purposes of this subsection,
 10 "overnight youth shelter" means a licensed facility operated by a
 11 nonprofit agency that provides overnight shelter to homeless or runaway
 12 youth because of family problems or dysfunctions.

13 (26) \$27,000 of the general fund--state appropriation for fiscal
 14 year 1999 is provided solely for the sexual assault program within the
 15 office of crime victims advocacy.

16 (27) \$37,000 of the general fund--state appropriation for fiscal
 17 year 1998 and \$128,000 of the general fund--state appropriation for
 18 fiscal year 1999 are provided solely for deposit in the state trade
 19 fair fund. If Engrossed Second Substitute Senate Bill No. 6562 is not
 20 enacted by June 30, 1998, the amounts provided in this subsection shall
 21 lapse.

22 (28) \$1,100,000 of the general fund--state appropriation for fiscal
 23 year 1999 is provided solely for the early childhood education and
 24 assistance program.

25 **Sec. 118.** 1997 c 454 s 104 (uncodified) is amended to read as
 26 follows:

27 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

28	General Fund--State Appropriation (FY 1998) . . . \$	((10,530,000))
29		<u>10,626,000</u>
30	General Fund--State Appropriation (FY 1999) . . . \$	((10,253,000))
31		<u>11,160,000</u>
32	General Fund--Federal Appropriation \$	23,331,000
33	General Fund--Local Appropriation \$	<u>190,000</u>
34	TOTAL APPROPRIATION \$	((44,114,000))
35		<u>45,307,000</u>

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

1 (1) The office of financial management, in cooperation with the
2 higher education coordinating board and the state board for community
3 and technical colleges, shall develop long-term higher education
4 enrollment forecasting models for consideration by the legislature. To
5 the extent possible, the pilot models shall incorporate trends in
6 demography, higher education applications, K-12 graduation rates, labor
7 market needs, and state and national higher education policy and
8 economic considerations. The public institutions of education shall
9 cooperate in the development of models by providing any necessary data
10 in a timely and organized manner. The private education institutions
11 of the state are encouraged to participate in this effort. A
12 preliminary report shall be provided to the appropriate committees of
13 the legislature by November 1, 1998, and a final report shall be
14 provided by January 15, 1999.

15 (2) \$139,000 of the general fund--state appropriation for fiscal
16 year 1999 is provided solely to implement Engrossed Second Substitute
17 House Bill No. 2880 (task force on vendor contracting practices). If
18 the bill is not enacted by June 30, 1998, the amount provided in this
19 subsection shall lapse.

20 (3) \$250,000 of the general fund--state appropriation for fiscal
21 year 1999 is provided solely to contract with an outside management
22 consultant to review the department of fish and wildlife's financial
23 operations and management practices.

24 (4) \$25,000 of the general fund--state appropriation for fiscal
25 year 1998 and \$50,000 of the general fund--state appropriation for
26 fiscal year 1999 are provided solely for the legislature and the office
27 of financial management to contract jointly for a performance review of
28 the state long-term care system. The review shall result in
29 recommendations by October 1, 1998, on strategies for increasing the
30 long-term affordability and cost-effectiveness of the system, and shall
31 include a review of topics such as methods for matching service levels
32 to recipient needs, options for managing growth in entitlement
33 caseloads, and techniques for projecting the number of persons in need
34 of publicly funded services.

35 **Sec. 119.** 1997 c 149 s 129 (uncodified) is amended to read as
36 follows:

37 **FOR THE DEPARTMENT OF PERSONNEL**

38 Department of Personnel Service Account

1	Appropriation	\$	((16,493,000))
2			<u>16,593,000</u>
3	Higher Education Personnel Services Account		
4	Appropriation	\$	1,632,000
5	TOTAL APPROPRIATION	\$	((18,125,000))
6			<u>18,225,000</u>

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

9 (1) The department shall reduce its charge for personnel services
10 to the lowest rate possible.

11 (2) \$32,000 of the department of personnel service fund
12 appropriation is provided solely for the creation, printing, and
13 distribution of the personal benefits statement for state employees.

14 (3) The department of personnel service account appropriation
15 contains sufficient funds to continue the employee exchange program
16 with the Hyogo prefecture in Japan.

17 (4) \$500,000 of the department of personnel service account
18 appropriation is provided solely for the career transition program to
19 assist state employees who are separated or are at risk of lay-off due
20 to reduction-in-force. Services shall include employee retraining and
21 career counseling.

22 (5) \$800,000 of the department of personnel service account
23 appropriation is provided solely for the human resource data warehouse
24 to: Expand the type and amount of information available on the state-
25 wide work force; and to provide the office of financial management,
26 legislature, and state agencies with direct access to the data for
27 policy and planning purposes. The department of personnel shall
28 establish uniform reporting procedures, applicable to all state
29 agencies and higher education institutions, for reporting data to the
30 data warehouse by June 30, 1998. The department of personnel will
31 report quarterly to the legislative fiscal committees, the office of
32 financial management, the information services board, and the office of
33 information technology oversight of the department of information
34 services the following items: (a) The number of state agencies that
35 have received access to the data warehouse (it is anticipated that
36 approximately 40 agencies will receive access during the 1997-99
37 biennium); (b) the change in requests for downloads from the mainframe
38 computer by agencies with access to the data warehouse, to reflect
39 transferring customers use of the mainframe computer to the more

1 economical use of data warehouse information; and (c) a summary of
2 customer feedback from agencies with access to the data warehouse.
3 Authority to expend this amount is conditioned on compliance with
4 section 902 of this act.

5 (6) The department of personnel has the authority to charge
6 agencies for expenses associated with converting its payroll/personnel
7 computer system to accommodate the year 2000 date change. Funding to
8 cover these expenses shall be realized from the agency FICA savings
9 associated with the pretax benefits contributions plan.

10 (7) The department of personnel shall charge all administrative
11 services costs incurred by the department of retirement systems for the
12 deferred compensation program. The billings to the department of
13 retirement systems shall be for actual costs only.

14 **Sec. 120.** 1997 c 149 s 130 (uncodified) is amended to read as
15 follows:

16 **FOR THE WASHINGTON STATE LOTTERY**

17 Industrial Insurance Premium Refund

18 Appropriation \$ 9,000

19 Lottery Administrative Account

20 Appropriation \$ 19,966,000

21 TOTAL APPROPRIATION \$ 19,975,000

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

24 (1) The state lottery shall apportion 30 percent of fiscal year
25 1999 gross revenue to the state general fund. If a lower percentage is
26 apportioned to the general fund in fiscal year 1999, a dollar amount
27 equal to the difference between the actual apportionment and 30 percent
28 of fiscal year 1999 gross revenue shall lapse from the lottery
29 administrative account appropriation.

30 (2) If the state lottery provides cash bonuses or cash marketing
31 incentives to retailers, a dollar amount equal to the total cash
32 bonuses and marketing incentives shall lapse from the lottery
33 administrative account appropriation.

34 (3) The requirements of subsections (1) and (2) of this section are
35 contingent upon the enactment of Engrossed House Bill No. 3120 (lottery
36 revenues). If the bill is not enacted by June 30, 1998, subsections
37 (1) and (2) of this section are null and void.

1 Senate Bill No. 6305 (death benefits for port and university police).
2 If the bill is not enacted by June 30, 1998, the amount provided in
3 this subsection shall lapse.

4 **Sec. 122.** 1997 c 149 s 136 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF REVENUE**

7	General Fund Appropriation (FY 1998)	\$	65,033,000
8	General Fund Appropriation (FY 1999)	\$	((65,320,000))
9			<u>65,623,000</u>
10	Timber Tax Distribution Account		
11	Appropriation	\$	4,778,000
12	<u>Enhanced 911 Account Appropriation</u>	\$	<u>100,000</u>
13	Waste Reduction/Recycling/Litter Control		
14	Appropriation	\$	100,000
15	State Toxics Control Account Appropriation	\$	67,000
16	Solid Waste Management Account		
17	Appropriation	\$	92,000
18	Oil Spill Administration Account		
19	Appropriation	\$	14,000
20	TOTAL APPROPRIATION	\$	((135,404,000))
21			<u>135,807,000</u>

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

24 (1) \$1,540,000 of the general fund appropriation for fiscal year
25 1998 and ((~~\$1,710,000~~)) \$1,799,000 of the general fund appropriation
26 for fiscal year 1999 are provided solely for senior citizen property
27 tax deferral distribution. If neither Substitute Senate Bill No. 6321
28 nor Engrossed Substitute Senate Bill No. 6533 (senior/disabled property
29 tax) is enacted by June 30, 1998, \$89,000 of the general fund
30 appropriation for fiscal year 1999 shall lapse.

31 (2) Within the amounts appropriated in this section the department
32 shall conduct a study identifying the impacts of exempting all
33 shellfish species from the tax imposed on enhanced food fish under
34 chapter 82.27 RCW. The study shall include an estimate of the fiscal
35 impacts to state revenues as well as an examination of how such an
36 exemption would impact shellfish-based industries and communities where
37 shellfish-based industries are located. The department shall complete

1 this study and report its findings to the legislature by December 1,
2 1997.

3 (3) \$60,000 of the general fund appropriation for fiscal year 1999
4 is provided solely for a study of the costs incurred by retailers in
5 collecting and remitting state and local sales taxes. The department
6 shall (a) identify and estimate the costs for small, medium, and large
7 retailers, (b) estimate the cost to retailers of implementing changes
8 in tax rates and/or the tax base, (c) identify current statutory and
9 regulatory procedures that impose costs and burdens on retailers, as
10 well as alternatives that would lessen these costs and burdens, (d)
11 estimate any direct or indirect compensation retailers currently
12 receive, if any, and (e) review how many other states provide
13 compensation to retailers and the nature of the compensation. The
14 department shall report its findings to the fiscal committees of the
15 house of representatives and senate by December 31, 1998.

16 (4) \$100,000 of the enhanced 911 account appropriation is provided
17 solely for costs associated with convening a study group on enhanced
18 911 wireless implementation. The department of revenue shall convene
19 a study group consisting of, but not limited to, representatives of the
20 following: The office of financial management, the military
21 department, the state enhanced 911 advisory committee, the department
22 of revenue, and the utilities and transportation commission. The study
23 shall evaluate the most efficient and cost-effective manner to
24 implement state-wide enhanced 911 emergency communications services for
25 radio access telephone lines. The study will also include an
26 evaluation of the technical issues affecting the implementation of
27 wireless enhanced 911 and may hire a telecommunications consultant to
28 conduct this evaluation. The study group shall present its findings
29 and recommendations to the governor and the appropriate committees of
30 the legislature no later than December 31, 1998.

31 (5) \$104,000 of the general fund appropriation for fiscal year 1999
32 is provided solely for the implementation of tax legislation enacted
33 during the 1998 legislative session.

34 (6) \$50,000 of the general fund appropriation for fiscal year 1999
35 is provided solely to implement sections 3 and 4 of Engrossed Second
36 Substitute House Bill No. 2345 (revising administrative law). If
37 sections 3 and 4 of the bill are not enacted by June 30, 1998, the
38 amount provided in this subsection shall lapse.

1 **Sec. 123.** 1997 c 149 s 141 (uncodified) is amended to read as
2 follows:

3 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

4 Data Processing Revolving Account

5 Appropriation	\$	3,577,000
6 <u>Education Savings Account Appropriation</u>	\$	<u>6,900,000</u>
7 K-20 Technology Account Appropriation	\$	44,028,000
8 TOTAL APPROPRIATION	\$	((47,605,000))
9		<u>54,505,000</u>

10 The appropriations in this section ~~((is))~~ are subject to the
11 following conditions and limitations:

12 (1) The department shall provide a toll-free telephone number and
13 operator service staff for the general public to call for information
14 about state agencies. The department may provide such staff,
15 equipment, and facilities as are necessary for this purpose. The
16 director shall adopt rules to fix terms and charges for these services.
17 All state agencies and the legislature shall participate in the
18 information program and shall reimburse the department of information
19 services in accordance with rules established by the director. The
20 department shall also provide conference calling services for state and
21 other public agencies on a fee-for-service basis.

22 (2) \$44,028,000 of the K-20 technology account appropriation shall
23 be expended in accordance with the expenditures authorized by the K-20
24 telecommunications oversight and policy committee as currently existing
25 or as modified by Substitute House Bill No. 1698, Substitute Senate
26 Bill No. 5002, or substantially similar legislation (K-20
27 telecommunications network).

28 (3) \$6,900,000 of the education savings account appropriation is
29 provided solely to complete the build-out of phase II of the K-12
30 portion of the K-20 network.

31 **Sec. 124.** 1997 c 149 s 142 (uncodified) is amended to read as
32 follows:

33 **FOR THE INSURANCE COMMISSIONER**

34 General Fund--Federal Appropriation \$ 106,000

35 Insurance Commissioners Regulatory Account

36 Appropriation	\$	22,431,000
37 TOTAL APPROPRIATION	\$	22,537,000

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

3 (1) \$532,000 of the insurance commissioner's regulatory account
4 appropriation is provided solely for the expenditure of funds received
5 under the consent order with the Prudential insurance company. These
6 funds are provided solely for implementing the Prudential remediation
7 process and for examinations of the Prudential company.

8 ~~(2) ((\$206,000 of the insurance commissioner's regulatory account
9 appropriation is provided solely to implement Substitute House Bill No.
10 1387 (basic health plan benefits). If the bill is not enacted by June
11 30, 1997, the amount provided in this subsection shall lapse.~~

12 ~~(3))~~ \$298,000 of the insurance commissioner's regulatory account
13 appropriation is provided solely for technology improvements that will
14 support the electronic filing of insurance rates and contracts and
15 enable regulators and the industry to share information about licensed
16 agents to protect the public from fraudulent sales practices.

17 (3) \$50,000 of the insurance commissioner's regulatory account
18 appropriation is provided solely to implement sections 10 and 12 of
19 Engrossed Second Substitute House Bill No. 2345 (revising
20 administrative law). If sections 10 and 12 of the bill are not enacted
21 by June 30, 1998, the amount provided in this subsection shall lapse.

22 (4) \$100,000 of the insurance commissioner's regulatory account
23 appropriation is provided solely for allocation to the traffic safety
24 commission for implementation of Engrossed Substitute House Bill No.
25 2439, the Cooper Jones Act (bicycle/pedestrian safety education). If
26 the bill is not enacted by June 30, 1998, the amount provided in this
27 subsection shall lapse.

28 **Sec. 125.** 1997 c 149 s 145 (uncodified) is amended to read as
29 follows:

30 **FOR THE HORSE RACING COMMISSION**

31 Horse Racing Commission Account Appropriation \$ 4,828,000

32 The appropriation in this section is subject to the following
33 conditions and limitations: Within the amounts appropriated in this
34 section, the horse racing commission, in consultation with the gambling
35 commission, shall study the impact on the major live race tracks and
36 the horse racing and breeding industry of allowing gambling activity
37 currently authorized in Washington by state law or under a state/tribal
38 compact agreement to be conducted at the live race track facilities.

1 The horse racing commission shall report to the appropriate committees
2 of the legislature by December 15, 1998.

3 **Sec. 126.** 1997 c 149 s 146 (uncodified) is amended to read as
4 follows:

5 **FOR THE LIQUOR CONTROL BOARD**

6	General Fund Appropriation (FY 1998)	. . . . . \$	1,603,000
7	General Fund Appropriation (FY 1999)	. . . . . \$	((1,242,000))
8			<u>1,294,000</u>
9	Liquor Control Board Construction and Maintenance		
10	Account Appropriation	. . . . . \$	9,919,000
11	Liquor Revolving Account Appropriation	. . . . . \$	((121,391,000))
12			<u>122,607,000</u>
13	TOTAL APPROPRIATION	. . . . . \$	((134,155,000))
14			<u>135,423,000</u>

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

17 (1) \$1,250,000 of the liquor revolving account appropriation is
18 provided solely for the agency information technology upgrade. This
19 item is conditioned on satisfying the requirements of section 902 of
20 this act, including the development of a project management plan, a
21 project schedule, a project budget, a project agreement, and
22 incremental funding based on completion of key milestones.

23 (2) \$1,603,000 of the general fund fiscal year 1998 appropriation
24 and \$1,242,000 of the general fund fiscal year 1999 appropriation are
25 provided solely to implement Substitute Senate Bill No. 6084 or
26 Engrossed Substitute House Bill No. 2272 (transferring enforcement
27 provisions regarding cigarette and tobacco taxes to the liquor control
28 board). If neither bill is enacted by June 30, 1997, the amounts
29 provided in this subsection shall lapse.

30 (3) \$459,000 of the liquor revolving account appropriation is
31 provided solely for implementation of Substitute Senate Bill No. 5664
32 (credit and debit cards purchases in state liquor stores). If the bill
33 is not enacted by June 30, 1997, the amount provided in this subsection
34 shall lapse.

35 (4) \$154,000 of the liquor revolving account appropriation is
36 provided solely for the implementation of Engrossed House Bill No. 3901
37 (implementing welfare reform). If the bill is not enacted by June 30,
38 1997, the amount provided in this subsection shall lapse.

1 (5) \$944,000 of the liquor revolving account appropriation is
 2 provided solely for the increase in vendor commissions due to the
 3 higher than expected growth in sales volume.

4 (6) Within the amounts provided in this section, the liquor control
 5 board shall prepare and submit a report on the liquor agency vendor
 6 system to the legislature by December 1, 1998. The report shall
 7 provide information on: (a) The development and changes to the liquor
 8 agency vendor store system during the last twenty years; (b) the
 9 business profile of liquor agency vendors, including the number of
 10 liquor agency vendors that sell only liquor and the number of liquor
 11 agency vendors that sell other items besides liquor; (c) the growth in
 12 the number of liquor agency vendors during the last twenty years; (d)
 13 the locations served by liquor agency vendors; (e) the criteria used
 14 for establishing liquor agency vendors and determining whether to open
 15 a state liquor store in a particular location; (f) the average annual
 16 commission paid per liquor agency vendor during the last twenty years;
 17 (g) the commission rate and components of the commissions provided to
 18 liquor agency vendors during the last twenty years; (h) the basis for
 19 any changes to the commission rate or components of the commissions
 20 provided to liquor agency vendors during the last twenty years; and (i)
 21 gross liquor sales by liquor agency vendors during the last twenty
 22 years.

23 (7) \$272,000 of the liquor revolving account appropriation is
 24 provided solely for the implementation of Substitute Senate Bill No.
 25 6253 (credit and debit card purchases in state liquor agency vendors).
 26 If the bill is not enacted by June 30, 1998, the amount provided in
 27 this subsection shall lapse.

28 (8) \$52,000 of the general fund appropriation for fiscal year 1999
 29 is provided solely for equipment for cigarette tax enforcement
 30 activities.

31 **Sec. 127.** 1997 c 149 s 147 (uncodified) is amended to read as
 32 follows:

33 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

34	Public Service Revolving Account--State	
35	Appropriation	\$ ((24,313,000))
36		24,754,000
37	Public Service Revolving Account--Federal	
38	Appropriation	\$ 292,000

1 TOTAL APPROPRIATION \$ ((24,605,000))
2 25,046,000

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

5 (1) \$133,000 of the public service revolving account--state
6 appropriation is provided solely for the implementation of Engrossed
7 Substitute Senate Bill No. 6560 (electric power customer rights). For
8 any portion of the appropriation that is expended for contracted
9 services, the commission shall: (a) Form an advisory committee
10 consisting of representatives from electrical companies regulated by
11 the commission, and residential, commercial, and industrial customers
12 served by those companies; and (b) submit for review and approval by
13 the advisory committee the request for proposal and selection of the
14 successful bidder or bidders. If the bill is not enacted by June 30,
15 1998, the amount provided in this subsection shall lapse.

16 (2) \$308,000 of the public service revolving account--state
17 appropriation is provided solely for the implementation of Engrossed
18 Substitute Senate Bill No. 6622 (federal telecommunications act). If
19 the bill is not enacted by June 30, 1998, the amount provided in this
20 subsection shall lapse.

21 **Sec. 128.** 1997 c 454 s 105 (uncodified) is amended to read as
22 follows:

23 **FOR THE MILITARY DEPARTMENT**

24 General Fund--State Appropriation (FY 1998) . . . \$ ((8,151,000))
25 8,602,000
26 General Fund--State Appropriation (FY 1999) . . . \$ ((8,154,000))
27 9,390,000
28 General Fund--Federal Appropriation \$ 34,314,000
29 General Fund--Private/Local Appropriation \$ 238,000
30 Flood Control Assistance Account Appropriation . \$ 3,000,000
31 Enhanced 911 Account Appropriation \$ 26,782,000
32 Disaster Response Account--State Appropriation . \$ ((23,977,000))
33 25,487,000
34 Disaster Response Account--Federal Appropriation \$ ((95,419,000))
35 110,812,000
36 TOTAL APPROPRIATION \$ ((200,035,000))
37 218,625,000

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

3 (1) \$365,000 of the general fund--state appropriation for fiscal
4 year 1998, \$1,145,000 of the general fund--state appropriation for
5 fiscal year 1999, \$3,000,000 of the flood control assistance account
6 appropriation, and \$6,197,000 of the general fund--federal
7 appropriation are provided solely for deposit in the disaster response
8 account to cover costs pursuant to subsection (2) of this section.

9 (2) (~~(\$23,977,000)~~) \$25,122,000 of the disaster response account--
10 state appropriation is provided solely for the state share of response
11 and recovery costs associated with federal emergency management agency
12 (FEMA) disaster number 1079 (November/December 1995 storms), FEMA
13 disaster 1100 (February 1996 floods), FEMA disaster 1152 (November 1996
14 ice storm), FEMA disaster 1159 (December 1996 holiday storm), FEMA
15 disaster 1172 (March 1997 floods) and to assist local governmental
16 entities with the matching funds necessary to earn FEMA funds for FEMA
17 disaster 1100 (February 1996 floods). \$356,000 of the disaster
18 response account--state appropriation is provided solely for fire
19 mobilization costs. \$9,000 of the disaster response account--state
20 appropriation is provided solely for costs associated with FEMA
21 disaster 1182 (Pend Oreille county 1997 spring flood).

22 (3) \$100,000 of the general fund--state fiscal year 1998
23 appropriation and \$100,000 of the general fund--state fiscal year 1999
24 appropriation are provided solely for the implementation of a
25 conditional scholarship program pursuant to chapter 28B.103 RCW.

26 (4) \$35,000 of the general fund--state fiscal year 1998
27 appropriation and \$35,000 of the general fund--state fiscal year 1999
28 appropriation are provided solely for the north county emergency
29 medical service.

30 (5) \$36,000 of the general fund--state fiscal year 1998
31 appropriation and \$72,000 of the general fund--state fiscal year 1999
32 appropriation are provided solely for emergency worker claims pursuant
33 to chapter 38.52 RCW.

34 **Sec. 129.** 1997 c 149 s 152 (uncodified) is amended to read as
35 follows:

36 **FOR THE STATE CONVENTION AND TRADE CENTER**

1 State Convention and Trade Center Operating Account
2 Appropriation \$ ((27,175,000))
3 27,394,000

4 (End of part)

PART II
HUMAN SERVICES

1
2
3 **Sec. 201.** 1997 c 149 s 201 (uncodified) is amended to read as
4 follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES.** (1)
6 Appropriations made in this act to the department of social and health
7 services shall initially be allotted as required by this act.
8 Subsequent allotment modifications shall not include transfers of
9 moneys between sections of this act except as expressly provided in
10 (~~this act~~) subsection (3) of this section, nor shall allotment
11 modifications permit moneys that are provided solely for a specified
12 purpose to be used for other than that purpose.

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

29 (3) (~~The appropriations in sections 202 through 213 of this act~~
30 ~~shall be expended for the programs and in the amounts listed in those~~
31 ~~sections.~~)

32 (a) The appropriations to the department of social and health
33 services in chapters 149 and 454, Laws of 1997, as amended, shall be
34 expended for the programs and in the amounts specified therein.
35 However, after May 1, 1998, unless specifically prohibited by this act,
36 the department may transfer general fund--state appropriations for

1 fiscal year 1998 among programs after approval by the director of
2 financial management. However, the department shall not transfer
3 general fund--state appropriations from the economic services program
4 for the 1997-99 fiscal biennium.

5 (b) To the extent that the transfer of appropriations under
6 subsection (a) of this section is insufficient to fund actual
7 expenditures in fiscal year 1998 in the medical assistance program that
8 exceed the expenditures projected in the November 1997 medical
9 assistance caseload forecast, the department may transfer general fund
10 appropriations, not to exceed five million dollars, within the medical
11 assistance program from fiscal year 1999 into fiscal year 1998.

12 (c) The director of financial management shall notify the
13 appropriate fiscal committees of the senate and house of
14 representatives in writing prior to approving any allotment
15 modifications.

16 **Sec. 202.** 1997 c 454 s 202 (uncodified) is amended to read as
17 follows:

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

20	General Fund--State Appropriation (FY 1998) . . . \$	((196,437,000))
21		<u>201,453,000</u>
22	General Fund--State Appropriation (FY 1999) . . . \$	((208,861,000))
23		<u>213,035,000</u>
24	General Fund--Federal Appropriation \$	((252,269,000))
25		<u>252,300,000</u>
26	General Fund--Private/Local Appropriation \$	400,000
27	Violence Reduction and Drug Enforcement Account	
28	Appropriation \$	((4,230,000))
29		<u>4,332,000</u>
30	TOTAL APPROPRIATION \$	((662,197,000))
31		<u>671,520,000</u>

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

34 (1) \$16,510,000 of the general fund--state appropriation for fiscal
35 year 1998 and \$17,508,000 of the general fund--state appropriation for
36 fiscal year 1999 are provided solely for purposes consistent with the
37 maintenance of effort requirements under the federal temporary
38 assistance for needy families program established under P.L. 104-193.

1 (2) \$((837,000)) 4,332,000 of the violence reduction and drug
2 enforcement account appropriation and \$((7,228,000)) 3,733,000 of the
3 general fund--federal appropriation are provided solely for the
4 operation of the family policy council, the community public health and
5 safety networks, and delivery of services authorized under the federal
6 family preservation and support act. Within the funds provided, the
7 family policy council shall contract for an evaluation of the community
8 networks with the institute for public policy and shall provide for
9 audits of ten networks. Within the funds provided, the family policy
10 council may build and maintain a geographic information system database
11 tied to community network geography.

12 (3) \$577,000 of the general fund--state fiscal year 1998
13 appropriation and \$577,000 of the general fund--state fiscal year 1999
14 appropriation are provided solely to contract for the operation of one
15 pediatric interim care facility. The facility shall provide
16 residential care for up to twelve children through two years of age.
17 Seventy-five percent of the children served by the facility must be in
18 need of special care as a result of substance abuse by their mothers.
19 The facility also shall provide on-site training to biological,
20 adoptive, or foster parents. The facility shall provide at least three
21 months of consultation and support to parents accepting placement of
22 children from the facility. The facility may recruit new and current
23 foster and adoptive parents for infants served by the facility. The
24 department shall not require case management as a condition of the
25 contract.

26 (4) \$481,000 of the general fund--state fiscal year 1998
27 appropriation and \$481,000 of the general fund--state fiscal year 1999
28 appropriation are provided solely for up to three nonfacility-based
29 programs for the training, consultation, support, and recruitment of
30 biological, foster, and adoptive parents of children through age three
31 in need of special care as a result of substance abuse by their
32 mothers, except that each program may serve up to three medically
33 fragile nonsubstance-abuse-affected children. In selecting
34 nonfacility-based programs, preference shall be given to programs whose
35 federal or private funding sources have expired or that have
36 successfully performed under the existing pediatric interim care
37 program.

38 (5) \$640,000 of the general fund--state appropriation for fiscal
39 year 1998 and \$640,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely to fund Second Substitute Senate
2 Bill No. 5710 (juvenile care and treatment), including section 2 of the
3 bill. Amounts provided in this subsection to implement Second
4 Substitute Senate Bill No. 5710 must be used to serve families who are
5 screened from the child protective services risk assessment process.
6 Services shall be provided through contracts with community-based
7 organizations. If neither bill is enacted by June 30, 1997, the
8 amounts provided in this subsection shall lapse.

9 (6) \$594,000 of the general fund--state appropriation for fiscal
10 year 1998, \$556,000 of the general fund--state appropriation for fiscal
11 year 1999, and \$290,000 of the general fund--federal appropriation are
12 provided solely to fund the provisions of Engrossed Second Substitute
13 House Bill No. 2046 (foster parent liaison). The department shall
14 establish a foster parent liaison in each department of social and
15 health services region of the state and contract with a private
16 provider to implement a recruitment and retention program for foster
17 parents and adoptive families. The department shall provide a minimum
18 of two hundred additional adoptive and foster home placements by June
19 30, 1998. If the bill is not enacted by June 30, 1997, the amounts in
20 this subsection shall lapse.

21 (7) \$433,000 of the fiscal year 1998 general fund--state
22 appropriation, \$395,000 of the fiscal year 1999 general fund--state
23 appropriation, and \$894,000 of the general fund--federal appropriation
24 are provided solely to increase the rate paid to private child-placing
25 agencies.

26 (8) \$580,000 of the general fund--state appropriation for fiscal
27 year 1998 and \$580,000 of the general fund--state appropriation for
28 fiscal year 1999 are provided solely for development and expansion of
29 child care training requirements and optional training programs. The
30 department shall adopt rules to require annual training in early
31 childhood development of all directors, supervisors, and lead staff at
32 child care facilities. Directors, supervisors, and lead staff at child
33 care facilities include persons licensed as family child care
34 providers, and persons employed at child care centers or school age
35 child care centers. The department shall establish a program to fund
36 scholarships and grants to assist persons in meeting these training
37 requirements. The department shall also develop criteria for approving
38 training programs and establish a system for tracking who has received
39 the required level of training. In adopting rules, developing

1 curricula, setting up systems, and administering scholarship programs,
2 the department shall consult with the child care coordinating committee
3 and other community stakeholders.

4 (9) The department shall provide a report to the legislature by
5 November 1997 on the growth in additional rates paid to foster parents
6 beyond the basic monthly rate. This report shall explain why
7 exceptional, personal, and special rates are being paid for an
8 increasing number of children and why the amount paid for these rates
9 per child has risen in recent years. This report must also recommend
10 methods by which the legislature may improve the current foster parent
11 compensation system, allow for some method of controlling the growth in
12 costs per case, and improve the department's and the legislature's
13 ability to forecast the program's needs in future years.

14 (10) \$100,000 of the general fund--state appropriation for fiscal
15 year 1998 and \$100,000 of the general fund--state appropriation for
16 fiscal year 1999 are provided solely for legal costs associated with
17 the defense of vendors operating a secure treatment facility, for
18 actions arising from the good faith performance of treatment services
19 for behavioral difficulties or needs.

20 (11) \$2,745,000 of the fiscal year 1998 general fund--state
21 appropriation, \$2,745,000 of the fiscal year 1999 general fund--state
22 appropriation, and \$1,944,000 of the general fund--federal
23 appropriation are provided solely for the category of services titled
24 "intensive family preservation services."

25 (12) ~~\$(2,200,000)~~ 1,642,000 of the fiscal year 1998 general
26 fund--state appropriation and ~~\$(2,200,000)~~ 1,207,000 of the fiscal
27 year 1999 general fund--state appropriation and \$1,551,000 of the
28 general fund--federal appropriation are provided solely to continue
29 existing continuum of care and street youth projects.

30 (13) \$1,456,000 of the general fund--state appropriation for fiscal
31 year 1998, \$1,474,000 of the general fund--state appropriation for
32 fiscal year 1999 and \$1,141,000 of the general fund--federal
33 appropriation are provided solely for the improvement of quality and
34 capacity of the child care system and related consumer education. The
35 activities funded by this appropriation shall include, but not be
36 limited to: Expansion of child care resource and referral network
37 services to serve additional families, to provide technical assistance
38 to child care providers, and to cover currently unserved areas of the
39 state; development of and incentives for child care during nonstandard

1 work hours; and the development of care for infants, toddlers,
2 preschoolers, and school age youth. These amounts are provided in
3 addition to funding for child care training and fire inspections of
4 child care facilities. These activities shall also improve the quality
5 and capacity of the child care system.

6 (14)(a) \$6,565,000 of the general fund--state appropriation for
7 fiscal year 1998 and \$7,454,000 of the general fund--state
8 appropriation for fiscal year 1999 are provided solely for distribution
9 to county juvenile court administrators to fund the costs of processing
10 truancy, children in need of services, and at-risk youth petitions.
11 The department shall not retain any portion of these funds to cover
12 administrative or any other departmental costs. The department, in
13 conjunction with the juvenile court administrators, shall develop an
14 equitable funding distribution formula. The formula shall neither
15 reward counties with higher than average per petition processing costs
16 nor shall it penalize counties with lower than average per petition
17 processing costs.

18 (b) Each quarter during the 1997-1999 fiscal biennium, each county
19 shall report the number of petitions processed and the total costs of
20 processing the petitions in each of the following categories: Truancy,
21 children in need of services, and at-risk youth. Counties shall submit
22 the reports to the department no later than 45 days after the end of
23 the quarter. The department shall forward this information to the
24 chair and ranking minority member of the house appropriations committee
25 and the senate ways and means committee no later than 60 days after a
26 quarter ends. These reports are deemed informational in nature and are
27 not for the purpose of distributing funds.

28 (15) \$70,000 of the fiscal year 1999 general fund--state
29 appropriation is provided solely for foster parent intervention support
30 teams.

31 (16) \$255,000 of the general fund--state appropriation for fiscal
32 year 1999 and \$67,000 of the general fund--federal appropriation are
33 provided solely for implementation of Substitute House Bill No. 2556
34 (child abuse prevention and treatment). If the bill is not enacted by
35 June 30, 1998, the amounts provided in this subsection shall lapse.

36 (17) The department and the attorney general shall jointly make
37 recommendations to the legislature to reduce or limit the state's
38 liability for damages in child welfare cases, including shelter care

1 and dependency proceedings. The recommendations shall be submitted to
2 the appropriate committees of the legislature by December 1, 1998.

3 (18) To the extent funds are available, the department shall pay
4 the expense of fingerprint criminal history record checks for low-
5 income family day care homes through the federal bureau of
6 investigation. The department may promulgate rules to set eligibility
7 levels.

8 (19) Sufficient funding is provided in this section to implement
9 Engrossed Substitute Senate Bill No. 6238 (dependent children).

10 **Sec. 203.** 1997 c 454 s 203 (uncodified) is amended to read as
11 follows:

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

14 (1) COMMUNITY SERVICES

15	General Fund--State Appropriation (FY 1998) . . . \$	((32,305,000))
16		<u>35,894,000</u>
17	General Fund--State Appropriation (FY 1999) . . . \$	((32,348,000))
18		<u>35,522,000</u>
19	General Fund--Federal Appropriation \$	((16,125,000))
20		<u>13,365,000</u>
21	General Fund--Private/Local Appropriation \$	378,000
22	Violence Reduction and Drug Enforcement Account	
23	Appropriation \$	((11,256,000))
24		<u>14,080,000</u>
25	TOTAL APPROPRIATION \$	((92,412,000))
26		<u>99,239,000</u>

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

29 (a) \$527,000 of the violence reduction and drug enforcement account
30 appropriation is provided solely for deposit in the county criminal
31 justice assistance account solely for costs to the criminal justice
32 system associated with the implementation of Engrossed Third Substitute
33 House Bill No. 3900 (revising the juvenile code). If Engrossed Third
34 Substitute House Bill No. 3900 is not enacted by June 30, 1997, the
35 amount provided in this subsection shall lapse. The amount provided in
36 this subsection is intended to provide funding for county adult court
37 costs associated with the implementation of Engrossed Third Substitute

1 House Bill No. 3900 and shall be distributed in accordance with RCW
2 82.14.310.

3 (b) \$2,917,000 of the violence reduction and drug enforcement
4 account is provided solely for the implementation of Engrossed Third
5 Substitute Senate Bill No. 3900 (revising the juvenile code). The
6 amount provided in this subsection is intended to provide funding for
7 county impacts associated with the implementation of Third Substitute
8 Senate Bill No. 3900 and shall be distributed to counties as prescribed
9 in the current consolidated juvenile services (CJS) formula. If the
10 bill is not enacted by June 30, 1997, the amounts provided shall lapse.

11 (c) \$2,350,000 of the general fund--state fiscal year 1998
12 appropriation and \$2,350,000 of the general fund--state fiscal year
13 1999 appropriation are provided solely for an early intervention
14 program to be administered at the county level. Moneys shall be
15 awarded on a competitive basis to counties that have submitted plans
16 for implementation of an early intervention program consistent with
17 proven methodologies currently in place in the state. The juvenile
18 rehabilitation administration shall develop criteria for evaluation of
19 plans submitted and a timeline for awarding funding and shall assist
20 counties in creating and submitting plans for evaluation.

21 (d) \$1,221,000 of the violence reduction and drug enforcement
22 appropriation is provided solely to implement alcohol and substance
23 abuse treatment for locally committed offenders. The juvenile
24 rehabilitation administration shall award these moneys on a competitive
25 basis to counties that have submitted a plan for the provision of
26 treatment services approved by the division of alcohol and substance
27 abuse. The juvenile rehabilitation administration shall develop
28 criteria for evaluation of plans submitted and a timeline for awarding
29 funding and shall assist counties in creating and submitting plans for
30 evaluation. If Engrossed Third Substitute House Bill No. 3900
31 (juvenile code revisions) is not enacted by June 30, 1997, the amount
32 provided in this subsection shall lapse.

33 (e) \$100,000 of the general fund--state fiscal year 1998
34 appropriation and \$100,000 of the general fund--state fiscal year 1999
35 appropriation are provided solely for the juvenile rehabilitation
36 administration to contract with the institute for public policy for the
37 responsibilities assigned in Engrossed Third Substitute House Bill No.
38 3900 (juvenile code revisions). If the bill is not enacted by June 30,
39 1997, the amounts provided in this subsection shall lapse.

1 (f) \$400,000 of the violence reduction and drug enforcement account
2 appropriation is provided solely for the development of standards
3 measuring the effectiveness of chemical dependency treatment and for
4 conducting evaluations of chemical dependency programs pursuant to
5 Engrossed Third Substitute House Bill No. 3900 (revising the juvenile
6 code). If the bill is not enacted by June 30, 1997, the amount
7 provided in this subsection shall lapse. The juvenile rehabilitation
8 administration shall consult with the division of alcohol and substance
9 abuse and contract with the University of Washington to develop the
10 standards and conduct the evaluations.

11 (g) \$150,000 of the general fund--state fiscal year 1998
12 appropriation and \$150,000 of the general fund--state fiscal year 1999
13 appropriation are provided solely for a contract to expand the services
14 of the teamchild project to additional sites. Priority use of these
15 funds shall be to provide teamchild service to early repeat offenders
16 to help ensure they receive appropriate child welfare and educational
17 services.

18 (h) \$2,700,000 of the violence reduction and drug enforcement
19 account appropriation is provided solely to implement community
20 juvenile accountability grants pursuant to chapter 338, Laws of 1997
21 (juvenile justice). Funds provided in this subsection may be used
22 solely for community juvenile accountability grants, administration of
23 the grants, and evaluations of programs funded by the grants.

24 (i) \$2,175,000 of the general fund--state appropriation for fiscal
25 year 1999 is provided solely for the implementation of Second
26 Substitute Senate Bill No. 6445 (child community facility placement).
27 If the bill is not enacted by June 30, 1998, the amounts provided in
28 this subsection shall lapse. The funds are intended to improve the
29 security of state-operated and privately contracted group homes. By
30 June 30, 1999, the juvenile rehabilitation administration shall report
31 to the appropriate policy and fiscal committees of the legislature on
32 the specific actions, and the cost of each action, taken to improve
33 security at both state-operated and contracted group homes.

34 (j) \$150,000 of the general fund--state appropriation for fiscal
35 year 1999 is provided solely for the Skagit county delinquency
36 prevention project.

37 (2) INSTITUTIONAL SERVICES

38 General Fund--State Appropriation (FY 1998) . . . \$ ((44,782,000))
39 43,909,000

1	General Fund--State Appropriation (FY 1999) . . .	\$	((44,662,000))
2			<u>45,977,000</u>
3	General Fund--Private/Local Appropriation	\$	727,000
4	Violence Reduction and Drug Enforcement Account		
5	Appropriation	\$	15,281,000
6	TOTAL APPROPRIATION	\$	((105,452,000))
7			<u>105,894,000</u>

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

10 (a) \$3,680,000 of the violence reduction and drug enforcement
11 account appropriation is provided solely for the implementation of
12 Engrossed Third Substitute House Bill No. 3900 (juvenile code
13 revisions). If the bill is not enacted by June 30, 1997, the amount
14 provided in this subsection shall lapse.

15 (b) \$105,000 of the general fund--state appropriation for fiscal
16 year 1998 and \$377,000 of the general fund--state appropriation for
17 fiscal year 1999 are provided solely for costs associated with
18 implementing chapter 386, Laws of 1997 (juvenile care and treatment).

19 (c) \$44,000 of the general fund--state appropriation for fiscal
20 year 1999 is provided solely to implement House Bill No. 1172 (sex
21 offender registration). If the bill is not enacted by June 30, 1998,
22 the amount provided in this subsection shall lapse.

23 (3) PROGRAM SUPPORT

24	General Fund--State Appropriation (FY 1998) . . .	\$	((1,922,000))
25			<u>1,930,000</u>
26	General Fund--State Appropriation (FY 1999) . . .	\$	((1,610,000))
27			<u>1,654,000</u>
28	General Fund--Federal Appropriation	\$	156,000
29	Violence Reduction and Drug Enforcement Account		
30	Appropriation	\$	421,000
31	TOTAL APPROPRIATION	\$	((4,109,000))
32			<u>4,161,000</u>

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

35 (a) \$92,000 of the general fund--state fiscal year 1998
36 appropriation and \$36,000 of the general fund--state fiscal year 1999
37 appropriation are provided solely for the implementation of Substitute

1 Senate Bill No. 5759 (risk classification). If the bill is not enacted
2 by June 30, 1997, the amounts provided shall lapse.

3 (b) \$206,000 of the general fund--state fiscal year 1998
4 appropriation is provided solely for the implementation of Engrossed
5 Second Substitute Senate Bill No. 5710 (juvenile care and treatment).
6 If the bill is not enacted by June 30, 1997, the amount provided shall
7 lapse.

8 (c) \$97,000 of the general fund--state fiscal year 1998
9 appropriation and \$36,000 of the general fund--state fiscal year 1999
10 appropriation are provided solely for the implementation of Engrossed
11 Third Substitute House Bill No. 3900 (juvenile code revisions). If the
12 bill is not enacted by June 30, 1997, the amounts provided shall lapse.

13 (d) Within the amounts provided in this subsection, the juvenile
14 rehabilitation administration (JRA) shall develop by January 1, 1998,
15 a staffing model for noncustody functions at JRA institutions and work
16 camps. The models should, whenever possible, reflect the most
17 efficient practices currently being used within the system.

18 (e) \$15,000 of the general fund--state appropriation for fiscal
19 year 1998 and \$175,000 of the general fund--state appropriation for
20 fiscal year 1999 are provided solely for the study required in Second
21 Substitute Senate Bill No. 6445 (child community facility placement).
22 If the bill is not enacted by June 30, 1998, the amounts provided in
23 this subsection shall lapse. The juvenile rehabilitation
24 administration (JRA) shall contract with the institute for public
25 policy for the studies required by the bill.

26 **Sec. 204.** 1997 c 149 s 204 (uncodified) is amended to read as
27 follows:

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

29 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

30 General Fund--State Appropriation (FY 1998) . . . \$	((167,577,000))
31	<u>170,940,000</u>
32 General Fund--State Appropriation (FY 1999) . . . \$	((170,803,000))
33	<u>173,645,000</u>
34 General Fund--Federal Appropriation \$	((296,006,000))
35	<u>299,651,000</u>
36 General Fund--Private/Local Appropriation \$	4,000,000
37 TOTAL APPROPRIATION \$	((638,386,000))
38	<u>648,236,000</u>

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

3 (a) Regional support networks shall use portions of the general
4 fund--state appropriation for implementation of working agreements with
5 the vocational rehabilitation program which will maximize the use of
6 federal funding for vocational programs.

7 (b) From the general fund--state appropriations in this subsection,
8 the secretary of social and health services shall assure that regional
9 support networks reimburse the aging and adult services program for the
10 general fund--state cost of medicaid personal care services that
11 enrolled regional support network consumers use because of their
12 psychiatric disability.

13 ~~(c) ((\$2,413,000 of the general fund--state appropriation for
14 fiscal year 1998 and \$2,393,000 of the general fund--state
15 appropriation for fiscal year 1999 are provided solely to directly
16 reimburse eligible providers for the medicaid share of mental health
17 services provided to persons eligible for both medicaid and medicare.
18 To be reimbursed, the service must be covered by and provided in
19 accordance with the state medicaid plan.~~

20 ~~(d))~~ \$1,304,000 of the general fund--state appropriation for
21 fiscal year 1998, \$3,356,000 of the general fund--state appropriation
22 for fiscal year 1999, and \$5,056,000 of the general fund--federal
23 appropriation are provided solely for distribution to those regional
24 support networks whose 1997-99 allocation would otherwise be less than
25 the regional support network would receive if all funding appropriated
26 in this subsection (1) of this section for medicaid outpatient mental
27 health services were distributed among all regional support networks at
28 the state-wide average per capita rate for each eligibility category.

29 ~~((e))~~ (d) At least thirty days prior to entering contracts that
30 would capitate payments for voluntary psychiatric hospitalizations, the
31 mental health division shall report the proposed capitation rates, and
32 the assumptions and calculations by which they were established, to the
33 budget and forecasting divisions of the office of financial management,
34 the appropriations committee of the house of representatives, and the
35 ways and means committee of the senate.

36 (e) \$533,000 of the general fund--state appropriation for fiscal
37 year 1999 and \$587,000 of the general fund--federal appropriation are
38 provided solely for the implementation of the Second Substitute Senate

1 Bill No. 6214 (mentally ill commitment). If the bill is not enacted by
2 June 30, 1998, the amounts provided in this subsection shall lapse.

3 (2) INSTITUTIONAL SERVICES

4	General Fund--State Appropriation (FY 1998) . . . \$	((59,496,000))
5		<u>62,368,000</u>
6	General Fund--State Appropriation (FY 1999) . . . \$	((59,508,000))
7		<u>60,698,000</u>
8	General Fund--Federal Appropriation \$	((127,118,000))
9		<u>133,504,000</u>
10	General Fund--Private/Local Appropriation \$	((30,940,000))
11		<u>25,007,000</u>
12	TOTAL APPROPRIATION \$	((277,062,000))
13		<u>281,577,000</u>

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

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

19 (b) The mental health program at Western state hospital shall
20 continue to use labor provided by the Tacoma prerelease program of the
21 department of corrections.

22 (c) \$246,000 of the general fund--state fiscal year 1998
23 appropriation and \$318,000 of the general fund--state fiscal year 1999
24 appropriation are provided solely for funding outside medical costs.
25 The mental health division shall provide a report on outside medical
26 costs to the fiscal committees of the legislature by September 30,
27 1998, and September 30, 1999. The report shall detail the monthly and
28 per capita expenditures for outside medical costs at each state
29 hospital.

30 (d) \$256,000 of the general fund--state fiscal year 1998
31 appropriation and \$254,000 of the general fund--state fiscal year 1999
32 appropriation are provided solely for funding pharmacy and new drug
33 costs. The mental health division shall provide a report on pharmacy
34 and new drug costs to the fiscal committees of the legislature by
35 September 30, 1998, and September 30, 1999. The report shall detail
36 monthly and per capita expenditures for pharmacy and new drug costs for
37 each state hospital. Expenditures for each new generation atypical
38 antipsychotic medication including clozapine, resperidone, olanzapine,

1 and any newly introduced medications of this nature shall be
2 specifically reported.

3 (e) \$1,700,000 of the general fund--state fiscal year 1998
4 appropriation is provided solely for replacing lost federal revenues in
5 fiscal year 1998 due to a changed definition of discharge for medicare
6 reimbursement purposes. The mental health division must aggressively
7 pursue the prompt resolution of issues resulting in this loss of
8 revenues with the federal health care financing administration. In the
9 event any or all of the lost federal revenues are restored, an equal
10 amount of the general fund--state fiscal year 1998 appropriation shall
11 lapse.

12 (f) Within the funds provided in this section, the mental health
13 division shall develop by October 1, 1998, a staffing model for direct
14 and indirect functions for the wards at each of the state hospitals.
15 The model should, whenever possible, reflect the most efficient
16 practices for providing treatment and therapeutic services appropriate
17 to the characteristics and needs of the individual patient.

18 (g) \$1,508,000 of the general fund--state appropriation for fiscal
19 year 1999, \$92,000 of the general fund--federal appropriation, and
20 \$107,000 of the general fund private/local appropriation are provided
21 solely for the implementation of the Second Substitute Senate Bill No.
22 6214 (mentally ill commitment). If the bill is not enacted by June 30,
23 1998, the amounts provided in this subsection shall lapse.

24 (3) CIVIL COMMITMENT

25	General Fund Appropriation (FY 1998)	. . . . . \$	((5,423,000))
26			7,174,000
27	General Fund Appropriation (FY 1999)	. . . . . \$	((6,082,000))
28			7,779,000
29	TOTAL APPROPRIATION	. . . . . \$	((11,505,000))
30			14,953,000

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

33 (a) \$2,088,000 of the general fund--state fiscal year 1998
34 appropriation and \$2,415,000 of the general fund--state fiscal year
35 1999 appropriation are provided solely for court-related costs for
36 residents at the special commitment center.

37 (b) Within the funds provided in this subsection, the mental health
38 division shall develop by October 1, 1998, a staffing model for direct

1 and indirect functions at the special commitment center. The model
2 should, whenever possible, reflect the most efficient practices for
3 providing treatment and therapeutic services appropriate to the
4 characteristics and needs of the individual patient.

5 (4) SPECIAL PROJECTS

6	General Fund--State Appropriation (FY 1998) . . . \$	50,000
7	General Fund--State Appropriation (FY 1999) . . . \$	450,000
8	General Fund--Federal Appropriation \$	3,826,000
9	TOTAL APPROPRIATION \$	4,326,000

10 The appropriations in this subsection are subject to the following
11 conditions and limitations: \$50,000 of the general fund--state
12 appropriation for fiscal year 1998 and \$450,000 of the general fund--
13 state appropriation for fiscal year 1999 are provided solely for
14 development and operation of the pilot project for mentally ill
15 offenders described in Substitute Senate Bill No. 6002 (mentally ill
16 offenders). If the bill is not enacted by June 30, 1997, the amounts
17 provided shall lapse.

18 (5) PROGRAM SUPPORT

19	General Fund--State Appropriation (FY 1998) . . . \$	((2,560,000))
20		<u>2,537,000</u>
21	General Fund--State Appropriation (FY 1999) . . . \$	((2,395,000))
22		<u>2,569,000</u>
23	General Fund--Federal Appropriation \$	((3,111,000))
24		<u>3,085,000</u>
25	TOTAL APPROPRIATION \$	((8,066,000))
26		<u>8,191,000</u>

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

29 (a) \$60,000 of the general fund--state appropriation for fiscal
30 year 1998 is provided solely to increase the department's capacity to
31 carry out legislative intent set forth in RCW 71.24.400 through
32 71.24.415. To facilitate this activity, the secretary shall appoint an
33 oversight committee of project stakeholders including representatives
34 from: Service providers, mental health regional support networks, the
35 department's mental health division, the department's division of
36 alcohol and substance abuse, the department's division of children and
37 family services, and the department's medical assistance

1 administration. The oversight group shall continue to seek ways to
2 streamline service delivery as set forth in RCW 71.24.405 until at
3 least July 1, 1998.

4 (b) \$96,000 of the general fund--state appropriation for fiscal
5 year 1999 is provided solely for the implementation of Second
6 Substitute Senate Bill No. 6214 (mentally ill commitment). If the bill
7 is not enacted by June 30, 1998, the amount provided in this subsection
8 shall lapse.

9 (c) \$100,000 of the general fund--state appropriation for fiscal
10 year 1999 is provided solely for the evaluation required by Second
11 Substitute Senate Bill No. 6214 (mentally ill commitment). If the bill
12 is not enacted by June 30, 1998, the amount provided in this subsection
13 shall lapse. The mental health division shall contract with the
14 institute for public policy for this evaluation.

15 **Sec. 205.** 1997 c 149 s 205 (uncodified) is amended to read as
16 follows:

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

19 Notwithstanding any other limitations in this section, the
20 secretary shall transfer \$1,140,000 of the general fund--state
21 appropriation, and \$1,060,000 of the general fund--federal
22 appropriation, or so much thereof as may be necessary, among
23 subsections of this section to implement Second Substitute Senate Bill
24 No. 6751 (developmental disabilities service options).

25 (1) COMMUNITY SERVICES

26	General Fund--State Appropriation (FY 1998) . . . \$	((140,172,000))
27		<u>147,757,000</u>
28	General Fund--State Appropriation (FY 1999) . . . \$	((142,643,000))
29		<u>166,773,000</u>
30	General Fund--Federal Appropriation \$	((194,347,000))
31		<u>226,737,000</u>
32	Health Services Account Appropriation \$	((1,695,000))
33		<u>639,000</u>
34	TOTAL APPROPRIATION \$	((478,857,000))
35		<u>541,906,000</u>

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

1 (a) (~~(\$1,695,000 of)~~) The health services account appropriation and
2 \$(~~1,835,000~~) 692,000 of the general fund--federal appropriation are
3 provided solely for the enrollment in the basic health plan of home
4 care workers with family incomes below 200 percent of the federal
5 poverty level who are employed through state contracts. Enrollment in
6 the basic health plan for home care workers with family incomes at or
7 above 200 percent of poverty shall be covered with general fund--state
8 and matching general fund--federal revenues that were identified by the
9 department to have been previously appropriated for health benefits
10 coverage, to the extent that these funds had not been contractually
11 obligated for worker wage increases prior to March 1, 1996.

12 (b) \$365,000 of the general fund--state appropriation for fiscal
13 year 1998 and \$1,543,000 of the general fund--state appropriation for
14 fiscal year 1999 are provided solely for employment, or other day
15 activities and training programs, for young people who complete their
16 high school curriculum in 1997 or 1998.

17 (c) ~~\$(~~22,974,000~~)~~ 24,399,000 of the general fund--state
18 appropriation for fiscal year 1998 and ~~\$(~~25,111,000~~)~~ 28,729,000 of
19 the general fund--state appropriation for fiscal year 1999 (~~(, plus any~~
20 ~~vendor rate increases allotted in accordance with section 213 of this~~
21 ~~act,)) are provided solely to deliver personal care services (~~(to an~~
22 ~~average of 6,250 children and adults in fiscal year 1998 and an average~~
23 ~~of 7,100 children and adults in fiscal year 1999)).~~ Within these
24 amounts, sufficient funding is provided to restore funding for medicaid
25 personal care exceptional rates to the fiscal year 1997 level. If the
26 secretary of social and health services determines that total
27 expenditures are likely to exceed these appropriated amounts, the
28 secretary shall take action as required by RCW 74.09.520 to adjust
29 either functional eligibility standards or service levels or both
30 sufficiently to maintain expenditures within appropriated levels. Such
31 action may include the adoption of emergency rules and may not be taken
32 to the extent that projected over-expenditures are offset by under-
33 expenditures elsewhere within the program's general fund--state
34 appropriation. Prior to making eligibility changes which would
35 terminate all services to some persons, the secretary should first
36 exercise all opportunities to manage the average cost per person
37 served, through methods such as promoting the use of informal care;
38 assuring that local offices are effectively and consistently
39 authorizing the least expensive level of care which can meet recipient~~

1 needs; and reducing on a sliding-scale basis the amount of service
2 authorized per functional need level, with smaller reductions for
3 greater levels of need.

4 (d) ~~\$(453,000)~~ 144,000 of the general fund--state appropriation
5 for fiscal year 1998, ~~\$(214,000)~~ 453,000 of the general fund--state
6 appropriation for fiscal year 1999, and ~~\$(719,000)~~ 654,000 of the
7 general fund--federal appropriation are provided solely to continue
8 operation of the united cerebral palsy residential center during the
9 period in which its residents are phasing into new community
10 residences.

11 (e) \$197,000 of the general fund--state appropriation for fiscal
12 year 1998 and \$197,000 of the general fund--state appropriation for
13 fiscal year 1999 are provided solely to contract with the Washington
14 initiative for supported employment for the purpose of continuing the
15 promotion of supported employment services for persons with
16 disabilities.

17 (f) The department shall not reduce the number of persons served in
18 community residential, employment and day program, or family support
19 services below the levels identified in the *Legislative Budget Notes,*
20 1997-99 Biennium, (August 1997) as published by the legislative fiscal
21 committees, in order to undertake activities proposed by the department
22 but not funded in this 1998 supplemental appropriations act.

23 (g) \$2,151,000 of the general fund--state appropriation for fiscal
24 year 1998, \$5,782,000 of the general fund--state appropriation for
25 fiscal year 1999, and \$8,362,000 of the general fund--federal
26 appropriation are provided solely to develop and operate secure
27 residential and day program placements for persons who seem likely to
28 present a significant risk to the public safety if their current
29 residential arrangement were to continue.

30 (h) \$426,000 of the general fund--state appropriation for fiscal
31 year 1999 and \$469,000 of the general fund--federal appropriation are
32 provided solely to develop and operate community services for persons
33 residing at eastern and western state hospitals whose needs are such
34 that they cannot be served in existing community vacancies.

35 (i) \$200,000 of the general fund--state appropriation for fiscal
36 year 1998 and \$1,592,000 of the general fund--state appropriation for
37 fiscal year 1999 are provided solely for employment and day program
38 services for adults who are not currently able to participate in such
39 services because of funding limitations.

1 (j) \$105,000 of the general fund--state appropriation for fiscal
2 year 1998, \$933,000 of the general fund--state appropriation for fiscal
3 year 1999, and \$1,029,000 of the general fund--federal appropriation
4 are provided solely to develop and operate community services for
5 persons moving from the residential habilitation centers as a result of
6 an agreement with the federal department of justice or a settlement
7 agreement to a lawsuit.

8 (k) Within amounts appropriated in this subsection, the division
9 shall contract for a pilot program to test an alternative service
10 delivery model for services to persons with autism. The division must
11 use a competitive process to determine the site of the pilot. The
12 pilot program must be time-limited and subject to an evaluation of
13 client outcomes to determine the effectiveness and efficiency of the
14 pilot program compared to the standard service model for persons with
15 autism.

16 (2) INSTITUTIONAL SERVICES

17	General Fund--State Appropriation (FY 1998) . . . \$	((63,982,000))
18		<u>65,277,000</u>
19	General Fund--State Appropriation (FY 1999) . . . \$	((63,206,000))
20		<u>64,187,000</u>
21	General Fund--Federal Appropriation \$	((142,955,000))
22		<u>145,897,000</u>
23	General Fund--Private/Local Appropriation \$	9,729,000
24	TOTAL APPROPRIATION \$	((279,872,000))
25		<u>285,090,000</u>

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

28 (a) With the funds appropriated in this subsection, the secretary
29 of social and health services shall develop an eight-bed program at
30 Yakima valley school specifically for the purpose of providing respite
31 services to all eligible individuals on a state-wide basis, with an
32 emphasis on those residing in central Washington.

33 (b) \$112,000 of the general fund--state appropriation for fiscal
34 year 1998, \$113,000 of the general fund--state appropriation for
35 fiscal year 1999, and \$75,000 of the general fund--federal
36 appropriation are provided solely for a nursing community outreach
37 project at Yakima valley school. Registered nursing staff are to

1 provide nursing assessments, consulting services, training, and quality
2 assurance on behalf of individuals residing in central Washington.

3 (c) \$200,000 of the general fund--state appropriation for fiscal
4 year 1998, \$200,000 of the general fund--state appropriation for fiscal
5 year 1999, and \$400,000 of the general fund--federal appropriation are
6 provided solely for the development of a sixteen-bed program at Yakima
7 valley school specifically for the purpose of providing respite
8 services to all eligible individuals on a state-wide basis, with an
9 emphasis on those residing in central Washington.

10 (3) PROGRAM SUPPORT

11	General Fund--State Appropriation (FY 1998) . . . \$	((2,543,000))
12		<u>2,530,000</u>
13	General Fund--State Appropriation (FY 1999) . . . \$	((2,517,000))
14		<u>2,501,000</u>
15	General Fund--Federal Appropriation \$	((1,645,000))
16		<u>1,637,000</u>
17	TOTAL APPROPRIATION \$	((6,705,000))
18		<u>6,668,000</u>

19 (4) SPECIAL PROJECTS

20	General Fund--Federal Appropriation \$	12,030,000
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21 **Sec. 206.** 1997 c 149 s 206 (uncodified) is amended to read as
22 follows:

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

25	General Fund--State Appropriation (FY 1998) . . . \$	((392,045,000))
26		<u>409,469,000</u>
27	General Fund--State Appropriation (FY 1999) . . . \$	((416,304,000))
28		<u>425,130,000</u>
29	General Fund--Federal Appropriation \$	((878,169,000))
30		<u>910,685,000</u>
31	<u>General Fund--Local Appropriation</u> \$	<u>1,781,000</u>
32	Health Services Account Appropriation \$	((6,087,000))
33		<u>2,232,000</u>
34	TOTAL APPROPRIATION \$	((1,692,605,000))
35		<u>1,749,297,000</u>

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

1 (1) The entire health services account appropriation and
2 \$((6,076,000)) 2,175,000 of the general fund--federal appropriation are
3 provided solely for the enrollment in the basic health plan of home
4 care workers with family incomes below 200 percent of the federal
5 poverty level who are employed through state contracts. Enrollment in
6 the basic health plan for home care workers with family incomes at or
7 above 200 percent of poverty shall be covered with general fund--state
8 and matching general fund--federal revenues that were identified by the
9 department to have been previously appropriated for health benefits
10 coverage, to the extent that these funds had not been contractually
11 obligated for worker wage increases prior to March 1, 1996.

12 (2) \$1,277,000 of the general fund--state appropriation for fiscal
13 year 1998 and \$1,277,000 of the general fund--state appropriation for
14 fiscal year 1999 are provided solely for operation of the volunteer
15 chore program.

16 (3) \$((107,997,000)) 113,534,000 of the general fund--state
17 appropriation for fiscal year 1998 ((and \$120,397,000)), \$125,310,000
18 of the general fund--state appropriation for fiscal year 1999, ((plus
19 any vendor rate increases allocated to these services in accordance
20 with section 213 of this act)) of which no less than forty-nine percent
21 shall be allotted for expenditure during the first six months of fiscal
22 year 1999, and \$7,374,000 of the general fund--federal social services
23 block grant appropriation, are provided solely to deliver chore, COPES,
24 and medicaid personal care services. If the secretary of social and
25 health services determines that total expenditures are likely to exceed
26 these amounts, the secretary shall take action as required by RCW
27 74.09.520, 74.39A.120, and 74.09.530 to adjust functional eligibility
28 standards and/or service levels sufficiently to maintain expenditures
29 within appropriated levels. Such action may include the adoption of
30 emergency rules, and shall not be taken to the extent that projected
31 over-expenditures are offset by under-expenditures resulting from lower
32 than budgeted nursing home caseloads. Prior to making eligibility
33 changes which would terminate all services to some persons, the
34 secretary should first exercise all opportunities to manage the average
35 cost per person served, through methods such as promoting the use of
36 informal care; assuring that local offices are effectively and
37 consistently authorizing the least expensive level of care that can
38 meet recipient needs; using waiting lists for individuals with lower
39 levels of need in order to limit monthly growth; and reducing on a

1 sliding-scale basis the amount of service authorized per functional
2 need level, with smaller reductions for greater levels of need.

3 (4) \$1,080,000 of the general fund--state appropriation for fiscal
4 year 1999 is provided to maintain service eligibility for persons
5 receiving services through the chore, COPES, or medicaid personal care
6 programs in the event eligibility adjustments may be necessary or are
7 made in accordance with subsection (3) of this section. The department
8 may use seventy-five percent of amounts not needed for that purpose to
9 implement quality of care enhancements.

10 (5) \$26,000 of the general fund--state appropriation for fiscal
11 year 1998, \$59,000 of the general fund--state appropriation for fiscal
12 year 1999, and \$85,000 of the general fund--federal appropriation are
13 provided solely to employ registered nurses rather than social workers
14 to fill six of the new field positions to be filled in fiscal year 1998
15 and seven more of the new positions to be filled in fiscal year 1999.
16 These registered nurses shall conduct assessments, develop and monitor
17 service plans, and consult with social work staff to assure that
18 persons with medical needs are placed in and receive the appropriate
19 level of care.

20 ((+5)) (6) \$425,000 of the general fund--state appropriation for
21 fiscal year 1998 and \$882,000 of the general fund--state appropriation
22 for fiscal year 1999 are provided solely to implement Second Substitute
23 Senate Bill No. 5179 (nursing facility reimbursement). If the bill is
24 not enacted by June 30, 1997, the amounts provided in this subsection
25 shall lapse.

26 ((-6) A maximum of \$2,193,000 of the general fund state
27 appropriation for fiscal year 1998 and \$2,351,000 of the general fund--
28 federal appropriation for fiscal year 1998 are provided to fund the
29 medicaid share of any new prospective payment rate adjustments as may
30 be necessary in accordance with RCW 74.46.460.)

31 (7) \$242,000 of the general fund--state appropriation for fiscal
32 year 1998, \$212,000 of the general fund--state appropriation for fiscal
33 year 1999, and \$498,000 of the general fund--federal appropriation are
34 provided solely for operation of a system for investigating allegations
35 of staff abuse and neglect in nursing homes, as provided in Second
36 Substitute House Bill No. 1850 (long-term care standards of care).

37 ((-8) \$350,000 of the general fund state appropriation for fiscal
38 year 1998 and \$382,000 of the general fund state appropriation for
39 fiscal year 1999 are provided solely to supplement the incomes of

1 disabled legal immigrants who, because of loss of their federal
2 supplemental security income benefit, would otherwise be at risk of
3 placement into a more expensive long-term care setting.

4 (9)(a) The department shall establish a shadow case mix payment
5 system to educate facilities about payment system alternatives. The
6 department shall provide shadow rates beginning July 1, 1997, based on
7 the following:

8 (i) The direct care portion of the rate, usually called "nursing
9 services," shall be set under a case mix methodology that classifies
10 residents under the Resource Utilization Group III (RUG-III) Version
11 5.10 (or subsequent revision) 44 group index maximizing model based on
12 the Minimum Data Set (MDS) Version 2.0.

13 (ii) Payment to a facility shall be based on facility weighted
14 average case mix data which provides one rate to a facility reflecting
15 its mix of residents. For purposes of determining the facility's cost
16 per case mix unit, the facility average case mix score will be based on
17 the case mix of all residents. For purposes of determining the
18 facility's payment rate, the facility average case mix score shall be
19 based on the case mix of medicaid residents.

20 (iii) The direct care rates shall be adjusted prospectively each
21 quarter based on the facility's MDS 2.0 data from the quarter
22 commencing six months preceding the rate effective date. For example,
23 the MDSs for 1/1/97 - 3/31/97 shall be used to establish shadow rates
24 for 7/1/97 - 9/30/97.

25 (iv) Those costs which currently comprise nursing services as
26 defined by chapter 74.46 RCW, excluding therapies, shall be included in
27 the direct care component for case mix.

28 (v) Data from 1994 cost reports (allowable and audited costs) shall
29 be used to establish the shadow rates. The costs shall be inflated
30 comparable to fiscal year 1998 payment rates, according to RCW
31 74.46.420.

32 (vi) Separate prices, ceilings, and corridors shall be established
33 for the peer groups of metropolitan statistical area and
34 nonmetropolitan statistical area.

35 (b) The following methods shall be used to establish the shadow
36 case mix rates:

37 (i) A pricing system in which payment to a facility shall be based
38 on a price multiplied by each facility's medicaid case mix. The price,

1 per peer group, shall be established at the median direct care cost per
2 case mix unit.

3 (ii) A pricing system in which payment to a facility shall be based
4 on a price multiplied by each facility's medicaid case mix. The price,
5 per peer group, shall be based on the cost per case mix unit of a group
6 of cost effective benchmark facilities which meet quality standards.

7 (iii) A corridor based system in which payment to a facility shall
8 be the facility's allowable cost per case mix unit adjusted for case
9 mix up to a ceiling and no less than a floor. The floor, per peer
10 group, shall be established at 90 percent of the cost per case mix unit
11 of a group of cost effective benchmark facilities which meet quality
12 standards. The ceiling, per peer group, shall be established at 110
13 percent of the cost per case mix unit of the group of benchmark
14 facilities.

15 (iv) A corridor based system in which payment to a facility shall
16 be the facility's allowable cost per case mix unit adjusted for case
17 mix up to a ceiling and no less than a floor. The floor, per peer
18 group, shall be established at 90 percent of the industry wide median
19 direct care cost per case mix unit. The ceiling, per peer group, shall
20 be established at 110 percent of the industry wide median direct care
21 cost per case mix unit.

22 (c) The department shall provide all data, information, and
23 specifications of the methods used in establishing the shadow case mix
24 rates to the nursing home provider associations.

25 (d) It is the legislature's intent that the average state payment
26 for nursing facility services under the new system increase by no more
27 than 175 percent of the health care financing administration nursing
28 home input price index, excluding capital costs. In designing the new
29 payment system, the department shall develop and propose options for
30 the combined direct and indirect rate components that assure this.

31 ~~(10))~~ (8) For purposes of implementing Second Substitute House
32 Bill No. 2935 (nursing facility payment rates), the weighted average
33 nursing facility payment rate for fiscal year 1999 shall be no more
34 than \$117.36, excluding nurse's aide training. Each nursing facility's
35 July 1 through September 30, 1998, medicaid payment rate shall be its
36 June 30, 1998, rate increased by 2.0 percent, except for the property
37 and return on investment component rates, which shall not be increased.
38 Beginning October 1, 1998, component rates rebased on 1996 costs shall
39 be adjusted for economic trends and conditions by 5.18 percent.

1 (9) \$50,000 of the general fund--state appropriation for fiscal
2 year 1998 and \$50,000 of the general fund--state appropriation for
3 fiscal year 1999 are provided solely for payments to any nursing
4 facility licensed under chapter 18.51 RCW which meets all of the
5 following criteria: (a) The nursing home entered into an arm's length
6 agreement for a facility lease prior to January 1, 1980; (b) the lessee
7 purchased the leased nursing home after January 1, 1980; and (c) the
8 lessor defaulted on its loan or mortgage for the assets of the home
9 after January 1, 1991, and prior to January 1, 1992. Payments provided
10 pursuant to this subsection shall not be subject to the settlement,
11 audit, or rate-setting requirements contained in chapter 74.46 RCW.

12 (~~(11) \$546,000~~) (10) \$506,000 of the general fund--state
13 appropriation for fiscal year 1998, (~~(\$583,000)~~) \$502,000 of the
14 general fund--state appropriation for fiscal year 1999, and
15 (~~(\$1,220,000)~~) \$1,095,000 of the general fund--federal appropriation
16 are provided solely for an increase in the state payment rates for
17 adult residential care and enhanced adult residential care.

18 (11) \$274,000 of the general fund--state appropriation for fiscal
19 year 1998, \$1,357,000 of the general fund--state appropriation for
20 fiscal year 1999, and the entire general fund--local appropriation are
21 provided solely for boarding home licensure and quality assurance by
22 the department of social and health services only if Engrossed House
23 Bill No. 2410 (boarding home administration) is enacted by June 30,
24 1998. If the bill is not enacted, the amounts provided in this
25 subsection shall be allocated to the department of health, which will
26 manage the boarding home licensure and quality assurance program.

27 **Sec. 207.** 1997 c 454 s 204 (uncodified) is amended to read as
28 follows:

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

31	General Fund--State Appropriation (FY 1998) . . . \$	((543,150,000))
32		508,243,000
33	General Fund--State Appropriation (FY 1999) . . . \$	((529,985,000))
34		512,200,000
35	General Fund--Federal Appropriation \$	((952,618,000))
36		951,615,000
37	TOTAL APPROPRIATION \$	((2,025,753,000))
38		1,972,058,000

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

3 ~~((+2))~~ (1) The legislature finds that, with the passage of the
4 federal personal responsibility and work opportunity act and Engrossed
5 House Bill No. 3901, the temporary assistance for needy families is no
6 longer an entitlement. The legislature declares that the currently
7 appropriated level for the program is sufficient for the next few
8 budget cycles. To the extent, however, that currently appropriated
9 amounts exceed costs during the 1997-99 biennium, the department is
10 encouraged to set aside excess federal funds for use in future years.

11 ~~((+3))~~ (2) \$485,000 of the general fund--state fiscal year 1998
12 appropriation, \$3,186,000 of the general fund--state fiscal year 1999
13 appropriation, and \$3,168,000 of the general fund--federal
14 appropriation are provided solely to continue to implement the
15 previously competitively procured electronic benefits transfer system
16 through the western states EBT alliance for distribution of cash grants
17 and food stamps so as to meet the requirements of P.L. 104-193.

18 ~~((+4))~~ (3) \$50,000 of the fiscal year 1998 general fund--state
19 appropriation is provided solely for a study of child care
20 affordability as directed in section 403 of Engrossed House Bill No.
21 3901 (implementing welfare reform). The study shall be performed by
22 the Washington institute for public policy. If the bill is not enacted
23 by June 30, 1997, the amount provided in this subsection shall lapse.

24 ~~((+5))~~ (4) \$500,000 of the fiscal year 1998 general fund--state
25 appropriation and \$500,000 of the fiscal year 1999 general fund--state
26 appropriation are provided solely for an evaluation of the WorkFirst
27 program as directed in section 705 of Engrossed House Bill No. 3901
28 (implementing welfare reform). The study shall be performed by the
29 joint legislative audit and review committee. If the bill is not
30 enacted by June 30, 1997, the amount provided in this subsection shall
31 lapse.

32 ~~((+6))~~ (5) \$73,129,000 of the general fund--federal appropriation
33 is provided solely for child care assistance for low-income families in
34 the WorkFirst program and for low-income working families as authorized
35 in Engrossed House Bill No. 3901 (implementing welfare reform). All
36 child care assistance provided shall be subject to a monthly copay to
37 be paid by the family receiving the assistance.

38 ~~((+7))~~ (6) \$7,624,000 of the fiscal year 1998 general fund--state
39 appropriation, \$18,489,000 of the fiscal year 1999 general fund--state

1 appropriation, and \$29,781,000 of the general fund--federal
2 appropriation are provided solely for implementation of Engrossed House
3 Bill No. 3901 (implementing welfare reform), including sections 404 and
4 405. If the bill is not enacted by June 30, 1997, the amounts provided
5 in this subsection shall lapse. The level of benefits in the food
6 program for legal immigrants authorized in the bill shall be equivalent
7 to benefits provided by the federal food stamp program.

8 ~~((8) \$89,722,000))~~ (7) \$56,461,000 of the fiscal year 1998 general
9 fund--state appropriation and ~~\$(75,466,000))~~ 59,393,000 of the fiscal
10 year 1999 general fund--state appropriation are provided solely for
11 cash assistance to recipients in the general assistance--unemployable
12 program. The department shall take any and all actions necessary to
13 maintain expenditures within these amounts.

14 ~~((9))~~ (8) \$55,995,000 of the fiscal year 1998 general fund--state
15 appropriation, \$55,995,000 of the fiscal year 1999 general fund--state
16 appropriation, and \$184,510,000 of the general fund--federal
17 appropriation are provided solely to administer a low-income child care
18 program as authorized in Engrossed House Bill No. 3901 (implementing
19 welfare reform). The child care program funds shall be allotted as
20 follows:

21 (a) Each six-month period shall have \$27,997,500 general fund--
22 state and \$46,127,500 general fund--federal funds allotted to be spent
23 during that six-month period for low-income child care assistance.

24 (b) The department may spend up to the allotted amount for child
25 care assistance during each six-month period. Any funds not spent
26 during the six-month period may be held over and allotted in the next
27 six-month period, subject to the provisions of subsection ~~((6))~~ (5)
28 of this section.

29 (c) Federal funds allotted for child care but not spent in fiscal
30 year 1998 may be transferred to fiscal year 1999 for allotment but
31 state funds must be spent in the year appropriated.

32 (9) \$5,000,000 of the general fund--federal appropriation from the
33 temporary assistance for needy families block grant is provided solely
34 for allocation to the department of community, trade, and economic
35 development to implement the WorkFirst grants to community action
36 agencies or other local nonprofit organizations. The grants shall be
37 used to provide job opportunities, transitional support services, one-
38 on-one assistance, case management, and job retention services to basic
39 skills training program participants.

1 (10) Within the amounts provided in this section, the department
2 shall implement the study requirements of Engrossed Substitute House
3 Bill No. 2900 (pro rata calculation of temporary assistance for needy
4 families grants).

5 **Sec. 208.** 1997 c 454 s 205 (uncodified) is amended to read as
6 follows:

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

9	General Fund--State Appropriation (FY 1998) . . . \$	((14,466,000))
10		<u>15,459,000</u>
11	General Fund--State Appropriation (FY 1999) . . . \$	((14,334,000))
12		<u>15,330,000</u>
13	General Fund--Federal Appropriation \$	((80,497,000))
14		<u>81,112,000</u>
15	General Fund--Private/Local Appropriation \$	630,000
16	<u>Public Safety and Education Account</u>	
17	<u>Appropriation \$</u>	<u>3,210,000</u>
18	Violence Reduction and Drug Enforcement Account	
19	Appropriation \$	((72,900,000))
20		<u>74,889,000</u>
21	TOTAL APPROPRIATION \$	((182,827,000))
22		<u>190,630,000</u>

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

25 (1) \$2,062,000 of the general fund--federal appropriation and
26 \$7,482,000 of the violence reduction and drug enforcement account
27 appropriation are provided solely for the grant programs for school
28 districts and educational service districts set forth in RCW
29 28A.170.080 through 28A.170.100, including state support activities, as
30 administered through the office of the superintendent of public
31 instruction.

32 (2) \$1,902,000 of the general fund--state fiscal year 1998
33 appropriation, \$1,902,000 of the general fund--state fiscal year 1999
34 appropriation, and \$1,592,000 of the general fund--federal
35 appropriation are provided solely for alcohol and substance abuse
36 assessment, treatment, including treatment for drug affected infants
37 and toddlers, and child care services for clients of the division of
38 children and family services. Assessment shall be provided by approved

1 chemical dependency treatment programs as requested by child protective
 2 services personnel in the division of children and family services.
 3 Child care shall be provided as deemed necessary by the division of
 4 children and family services while parents requiring alcohol and
 5 substance abuse treatment are attending treatment programs.

6 (3) \$760,000 of the fiscal year 1998 general fund--state
 7 appropriation and \$760,000 of the fiscal year 1999 general fund--state
 8 appropriation are provided solely to fund a program serving mothers of
 9 children affected by fetal alcohol syndrome and related conditions,
 10 known as the birth-to-three program. The program may be operated in
 11 two cities in the state.

12 (4) \$3,210,000 of the public safety and education account
 13 appropriation is provided solely for the continuation of treatment
 14 alternatives to street crimes (TASC) programs in Pierce, Snohomish,
 15 Clark, King, Spokane, and Yakima counties.

16 **Sec. 209.** 1997 c 149 s 209 (uncodified) is amended to read as
 17 follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**
 19 **PROGRAM**

20	General Fund--State Appropriation (FY 1998)	\$	((684,033,000))
21			<u>666,815,000</u>
22	General Fund--State Appropriation (FY 1999)	\$	((684,885,000))
23			<u>681,372,000</u>
24	General Fund--Federal Appropriation	\$	((2,038,101,000))
25			<u>2,086,149,000</u>
26	General Fund--Private/Local Appropriation	\$	((223,900,000))
27			<u>306,601,000</u>
28	Health Services Account Appropriation	\$	((253,004,000))
29			<u>254,506,000</u>
30	Emergency Medical and Trauma Care Services		
31	Account Appropriation	\$	4,600,000
32	TOTAL APPROPRIATION	\$	((3,888,523,000))
33			<u>4,000,043,000</u>

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

36 (1) The department shall continue to make use of the special
 37 eligibility category created for children through age 18 and in

1 households with incomes below 200 percent of the federal poverty level
2 made eligible for medicaid as of July 1, 1994.

3 (2) It is the intent of the legislature that Harborview medical
4 center continue to be an economically viable component of the health
5 care system and that the state's financial interest in Harborview
6 medical center be recognized.

7 (3) Funding is provided in this section for the adult dental
8 program for Title XIX categorically eligible and medically needy
9 persons and to provide foot care services by podiatric physicians and
10 surgeons.

11 (4) \$1,622,000 of the general fund--state appropriation for fiscal
12 year 1998 and \$1,622,000 of the general fund--state appropriation for
13 fiscal year 1999 are provided for treatment of low-income kidney
14 dialysis patients.

15 (5) \$80,000 of the general fund--state appropriation for fiscal
16 year 1998, \$80,000 of the general fund--state appropriation for fiscal
17 year 1999, and \$160,000 of the general fund--federal appropriation are
18 provided solely for the prenatal triage clearinghouse to provide access
19 and outreach to reduce infant mortality.

20 (6) The department shall employ the managed care contracting and
21 negotiation strategies defined in Substitute Senate Bill No. 5125 to
22 assure that the average per-recipient cost of managed care services for
23 temporary assistance to needy families and expansion populations
24 increases by no more than two percent per year in calendar years 1998
25 and 1999.

26 (7) The department shall seek federal approval to require adult
27 medicaid recipients who are not elderly or disabled to contribute ten
28 dollars per month toward the cost of their medical assistance coverage.
29 The department shall report on the progress of this effort to the house
30 of representatives and senate health care and fiscal committees by
31 September 1 and November 15, 1997.

32 (8) \$325,000 of the general fund--state appropriation for fiscal
33 year 1998 and \$325,000 of the general fund--state appropriation for
34 fiscal year 1999 are provided solely to increase rates paid for air
35 ambulance services.

36 (9) \$1,468,000 of the general fund--state appropriation for fiscal
37 year 1999 is to be expended solely to the extent necessary because the
38 federal government has not approved the department's request to require

1 certain recipients to pay ten dollars per month toward the cost of
2 their medical assistance.

3 (10) By November 1, 1998, the department shall report to the health
4 care and fiscal committees of the legislature on the estimated average
5 monthly number of nongrant medical assistance recipients who do not
6 meet the earned income eligibility standards that were in effect prior
7 to November 1997.

8 **Sec. 210.** 1997 c 149 s 210 (uncodified) is amended to read as
9 follows:

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

12	General Fund--State Appropriation (FY 1998) . . . \$	((8,652,000))
13		<u>9,046,000</u>
14	General Fund--State Appropriation (FY 1999) . . . \$	((8,592,000))
15		<u>8,603,000</u>
16	General Fund--Federal Appropriation \$	((79,542,000))
17		<u>79,080,000</u>
18	General Fund--Private/Local Appropriation \$	2,904,000
19	TOTAL APPROPRIATION \$	((99,690,000))
20		<u>99,633,000</u>

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

23 (1) The division of vocational rehabilitation shall negotiate
24 cooperative interagency agreements with local organizations, including
25 higher education institutions, mental health regional support networks,
26 and county developmental disabilities programs to improve and expand
27 employment opportunities for people with severe disabilities served by
28 those local agencies.

29 (2) \$363,000 of the general fund--state appropriation for fiscal
30 year 1998, \$506,000 of the general fund--state appropriation for fiscal
31 year 1999, and \$3,208,000 of the general fund--federal appropriation
32 are provided solely for vocational rehabilitation services for
33 individuals enrolled for services with the developmental disabilities
34 program who complete their high school curriculum in 1997 or 1998.

35 **Sec. 211.** 1997 c 454 s 206 (uncodified) is amended to read as
36 follows:

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

3	General Fund--State Appropriation (FY 1998) . . . \$	((24,572,000))
4		<u>25,818,000</u>
5	General Fund--State Appropriation (FY 1999) . . . \$	((23,956,000))
6		<u>25,744,000</u>
7	General Fund--Federal Appropriation \$	((40,352,000))
8		<u>43,037,000</u>
9	General Fund--Private/Local Appropriation \$	270,000
10	TOTAL APPROPRIATION \$	((89,150,000))
11		<u>94,869,000</u>

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

14 (1) The department may transfer up to \$1,289,000 of the general
15 fund--state appropriation for fiscal year 1998, \$1,757,000 of the
16 general fund--state appropriation for fiscal year 1999, and \$2,813,000
17 of the general fund--federal appropriation to the administration and
18 supporting services program from various other programs to implement
19 administrative reductions.

20 (2) The secretary of social and health services and the director of
21 labor and industries shall report to the appropriate fiscal and policy
22 committees of the legislature by July 1, 1997, and every six months
23 thereafter on the measurable changes in employee injury and time-loss
24 rates that have occurred in the state developmental disabilities,
25 juvenile rehabilitation, and mental health institutions as a result of
26 the upfront loss-control discount agreement between the agencies.

27 ((+4)) (3) \$60,000 of the general fund--state appropriation for
28 fiscal year 1998 is provided solely for a welfare fraud pilot program
29 as described by House Bill No. 1822 (welfare fraud investigation).

30 ((+5)) (4) \$55,000 of the fiscal year 1998 general fund--state
31 appropriation, \$64,000 of the fiscal year 1999 general fund--state
32 appropriation, and \$231,000 of the general fund--federal appropriation
33 are provided solely for implementation of Engrossed House Bill No. 3901
34 (implementing welfare reform). If the bill is not enacted by June 30,
35 1997, the amounts provided in this subsection shall lapse.

36 (5) \$192,000 of the general fund--state appropriation for fiscal
37 year 1999 and \$131,000 of the general fund--federal appropriation are
38 provided solely to implement sections 3, 4, and 11 of Engrossed Second
39 Substitute House Bill No. 2345 (revising administrative law). If

1 sections 3, 4, and 11 of the bill are not enacted by June 30, 1998, the
2 amounts provided in this subsection shall lapse.

3 (6) The department shall report on the allowance for clothing,
4 personal maintenance, and necessary incidentals provided to persons who
5 receive services funded by state and federal moneys under Title XIX of
6 the social security act. The report shall discuss the range of
7 allowances granted for different populations and programs and compare
8 the allowances to those provided to similar populations in other
9 western states. The report shall also evaluate the need for a uniform
10 amount provided to all populations and, if a uniform allowance is
11 provided, at what level that allowance should be set. In compiling the
12 report, the department shall consult with affected parties and
13 divisions. The report shall be submitted by December 1, 1998, to the
14 chairs and the ranking minority members of the appropriate committees
15 of the legislature.

16 **Sec. 212.** 1997 c 454 s 207 (uncodified) is amended to read as
17 follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILD SUPPORT PROGRAM**

19	General Fund--State Appropriation (FY 1998) . . . \$	((21,122,000))
20		<u>21,344,000</u>
21	General Fund--State Appropriation (FY 1999) . . . \$	((20,877,000))
22		<u>20,965,000</u>
23	General Fund--Federal Appropriation \$	((145,739,000))
24		<u>145,321,000</u>
25	General Fund--Private/Local Appropriation \$	((33,207,000))
26		<u>32,673,000</u>
27	TOTAL APPROPRIATION \$	((220,945,000))
28		<u>220,303,000</u>

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

31 (1) The department shall contract with private collection agencies
32 to pursue collection of AFDC child support arrearages in cases that
33 might otherwise consume a disproportionate share of the department's
34 collection efforts. The department's child support collection staff
35 shall determine which cases are appropriate for referral to private
36 collection agencies. In determining appropriate contract provisions,
37 the department shall consult with other states that have successfully

1 contracted with private collection agencies to the extent allowed by
2 federal support enforcement regulations.

3 ~~((3))~~ (2) The amounts appropriated in this section for child
4 support legal services shall be expended only by means of contracts
5 with local prosecutor's offices.

6 ~~((4))~~ (3) \$305,000 of the general fund--state fiscal year 1998
7 appropriation, \$494,000 of the general fund--state fiscal year 1999
8 appropriation, and \$1,408,000 of the general fund--federal
9 appropriation are provided solely to implement Engrossed House Bill No.
10 3901 (implementing welfare reform). If the bill is not enacted by June
11 30, 1997, the amounts provided in this subsection shall lapse.

12 **Sec. 213.** 1997 c 454 s 208 (uncodified) is amended to read as
13 follows:

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

16	General Fund--State Appropriation (FY 1998) . . . \$	((47,435,000))
17		<u>25,292,000</u>
18	General Fund--State Appropriation (FY 1999) . . . \$	((47,514,000))
19		<u>24,792,000</u>
20	General Fund--Federal Appropriation \$	((54,366,000))
21		<u>18,966,000</u>
22	((Health Services Account Appropriation \$	1,502,000
23	Violence Reduction and Drug Enforcement Account	
24	Appropriation \$	2,215,000))
25	TOTAL APPROPRIATION \$	((153,032,000))
26		<u>69,050,000</u>

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

29 ~~((1) \$22,893,000 of the general fund--state appropriation for~~
30 ~~fiscal year 1998, \$22,835,000 of the general fund--state appropriation~~
31 ~~for fiscal year 1999, \$35,431,000 of the general fund--federal~~
32 ~~appropriation, \$2,215,000 of the violence reduction and drug~~
33 ~~enforcement account appropriation, and \$1,502,000 of the health~~
34 ~~services account appropriation are provided solely to increase the~~
35 ~~rates of contracted service providers. The department need not provide~~
36 ~~all vendors with the same percentage rate increase. Rather, the~~
37 ~~department is encouraged to use these funds to help assure an adequate~~
38 ~~supply of qualified vendors. Vendors providing services in markets~~

1 where recruitment and retention of qualified providers is a problem may
2 receive larger rate increases than other vendors. It is the
3 legislature's intent that these amounts shall be used primarily to
4 increase compensation for persons employed in direct, front-line
5 service delivery. Any rate increases granted as a result of this
6 section must be implemented so that the carry forward costs into the
7 1999-01 biennium do not exceed the amounts provided in this subsection.
8 Within thirty days of granting a vendor rate increase under this
9 section, the department shall report the following information to the
10 fiscal committees of the legislature: (a) The amounts and effective
11 dates of any increases granted; (b) the process and criteria used to
12 determine the increases; and (c) any data used in that process. In
13 accordance with RCW 43.88.110(1), the department and the office of
14 financial management shall allot funds appropriated in this section to
15 the programs and budget units from which the funds will be expended.
16 Such allotments shall be completed no later than September 15, 1997.

17 (2)) (1) \$263,000 of the fiscal year 1998 general fund--state
18 appropriation, \$349,000 of the fiscal year 1999 general fund--state
19 appropriation, and \$1,186,000 of the general fund--federal
20 appropriation are provided solely for implementation of Engrossed House
21 Bill No. 3901 (implementing welfare reform). If the bill is not
22 enacted by June 30, 1997, the amounts provided in this subsection shall
23 lapse.

24 (2) \$113,000 of the fiscal year 1999 general fund--state
25 appropriation and \$31,000 of the general fund--federal appropriation
26 are provided solely for the implementation of Substitute House Bill No.
27 2556 (child abuse prevention and treatment). If this bill is not
28 enacted by June 30, 1998, the amounts provided in this subsection shall
29 lapse.

30 **Sec. 214.** 1997 c 454 s 210 (uncodified) is amended to read as
31 follows:

32 **FOR THE STATE HEALTH CARE AUTHORITY**

33	General Fund--State Appropriation (FY 1998) . . . \$	6,316,000
34	General Fund--State Appropriation (FY 1999) . . . \$	6,317,000
35	State Health Care Authority Administration	
36	Account Appropriation \$	((14,719,000))
37		<u>14,969,000</u>
38	Health Services Account Appropriation \$	((330,628,000))

1		341,800,000
2	TOTAL APPROPRIATION \$	((357,980,000))
3		<u>369,402,000</u>

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

6 (1) The general fund--state appropriations are provided solely for
7 health care services provided through local community clinics.

8 (2) Within funds appropriated in this section and sections 205 and
9 206 of chapter 149, Laws of 1997, the health care authority shall
10 continue to provide an enhanced basic health plan subsidy option for
11 foster parents licensed under chapter 74.15 RCW and workers in state-
12 funded homecare programs. Under this enhanced subsidy option, foster
13 parents and homecare workers with family incomes below 200 percent of
14 the federal poverty level shall be allowed to enroll in the basic
15 health plan at a cost of ten dollars per covered worker per month.

16 (3)(a) Effective October 1997, the health care authority shall
17 require organizations and individuals that are paid to deliver basic
18 health plan services to contribute a minimum of thirty dollars per
19 enrollee per month if the organization or individual chooses to sponsor
20 an individual's enrollment in the subsidized basic health plan.

21 (b) Effective July 1998, the health care authority shall require
22 organizations and individuals which are paid to deliver basic health
23 plan services and which choose to sponsor enrollment in the subsidized
24 basic health plan to pay the following: (i) A minimum of fifteen
25 dollars per enrollee per month for persons below 100 percent of the
26 federal poverty level; and (ii) a minimum of twenty dollars per
27 enrollee per month for persons whose family income is 100 percent to
28 200 percent of the federal poverty level.

29 (4) \$150,000 of the health services account appropriation is
30 provided solely to implement health care savings accounts. If
31 legislation requiring a pilot project of such accounts is not enacted
32 by June 30, 1997, the amount provided in this subsection shall lapse.

33 ((+6)) (5) \$270,000 of the health services account appropriation
34 is provided solely to pay commissions to agents and brokers in
35 accordance with RCW 70.47.015(5) for application assistance provided to
36 persons on the reservation list as of June 30, 1997, who enroll in the
37 subsidized basic health plan on or after July 1, 1997.

38 (6) \$250,000 of the state health care authority administrative
39 account appropriation is provided solely to process claims arising from

1 the settlement in *Retired State Employees v. State of Washington*
2 (Thurston county superior court cause no. 92-2-01294-1).

3 (7) The health care authority administrator is directed to pay
4 claims resulting from a court-approved stipulated settlement in *Retired*
5 *State Employees et al. v. State of Washington* (Thurston county superior
6 court cause no. 92-2-01294-1) using funds in the public employees' and
7 retirees' insurance account. The legislature recognizes that payment
8 of these claims may reduce premium stabilization reserves below target
9 levels on an interim basis. It is the legislature's intent that the
10 viability of health care authority-administered programs be preserved
11 and that the benefit levels for health care authority-administered
12 programs not be reduced in the event premium stabilization reserves are
13 used to pay such claims.

14 (8) \$330,000 of the health services account appropriation is
15 provided solely to implement Substitute House Bill No. 3109 (basic
16 health plan enrollee income verification). If the bill is not enacted
17 by June 30, 1998, the amount provided in this subsection shall lapse.

18 **Sec. 215.** 1997 c 149 s 215 (uncodified) is amended to read as
19 follows:

20 **FOR THE HUMAN RIGHTS COMMISSION**

21	General Fund--State Appropriation (FY 1998)	\$	2,019,000
22	General Fund--State Appropriation (FY 1999)	\$((2,036,000))	
23			<u>2,538,000</u>
24	General Fund--Federal Appropriation	\$	1,444,000
25	General Fund--Private/Local Appropriation	\$	259,000
26	TOTAL APPROPRIATION	\$((5,758,000))	
27			<u>6,260,000</u>

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

30 (1) \$432,000 of the general fund--state appropriation for fiscal
31 year 1999 is provided solely for elimination of caseload backlog by
32 January 1, 1999, and reduction of case processing time.

33 (2) \$70,000 of the general fund appropriation for fiscal year 1999
34 is provided solely to implement section 4 of Engrossed Second
35 Substitute House Bill No. 2345 (revising administrative law). If
36 section 4 of the bill is not enacted by June 30, 1998, the amount
37 provided in this subsection shall lapse.

1 **Sec. 216.** 1997 c 149 s 217 (uncodified) is amended to read as
2 follows:

3 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

4	<u>General Fund--State Appropriation (FY 1998)</u> . . . \$	<u>15,000</u>
5	<u>General Fund--State Appropriation (FY 1999)</u> . . . \$	<u>285,000</u>
6	General Fund--Federal Appropriation \$	100,000
7	Death Investigations Account Appropriation . . . \$	38,000
8	Public Safety and Education Account	
9	Appropriation \$	((13,434,000))
10		<u>13,341,000</u>
11	Violence Reduction and Drug Enforcement Account	
12	Appropriation \$	346,000
13	TOTAL APPROPRIATION \$	((13,918,000))
14		<u>14,125,000</u>

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

17 (1) \$80,000 of the public safety and education account
18 appropriation is provided solely to continue the study of law
19 enforcement and corrections training begun in 1996. In conducting the
20 study, the criminal justice training commission shall consult with the
21 appropriate policy and fiscal committees of the legislature. Specific
22 elements to be addressed in the study include: (a) The feasibility and
23 the rationale for increasing basic law enforcement training from 440 to
24 600 hours; (b) the feasibility and rationale for creating a
25 certification process for law enforcement officers; (c) the feasibility
26 and rationale for expanding the correctional officers academy; (d) the
27 feasibility and rationale for expanding the juvenile service workers
28 academy and/or the adult services academy; and (e) any other items
29 considered relevant by the commission. Any recommendations made shall
30 include a plan and timeline for how they would be implemented. The
31 board on correctional training standards and education and the board on
32 law enforcement training standards and education shall be actively
33 involved in the study effort. Copies of the study shall be provided to
34 the appropriate policy and fiscal committees of the legislature and the
35 director of financial management by October 1, 1997.

36 (2) \$50,000 of the public safety and education account
37 appropriation is provided solely to prepare a cost and fee study of the
38 current and proposed criminal justice course offerings. The analysis
39 shall identify total costs and major cost components for: (a) Any

1 current training classes which are considered mandatory; and (b) any
2 proposed or modified training courses which are considered mandatory.
3 Mandatory classes include, but are not limited to, the following:
4 Basic law enforcement academy, correctional officers academy,
5 supervisory and management training of law enforcement officers,
6 supervisory and management training of correctional officers, juvenile
7 service workers academy, and the adult service academy. The study
8 shall also recommend a methodology for estimating the future demand for
9 these classes. The study shall also estimate the cost of implementing
10 any recommendations made pursuant to subsection (1) of this section.
11 The study shall be conducted by a private sector consultant selected by
12 the office of financial management in consultation with the executive
13 director of the criminal justice training commission. The final report
14 shall be completed by January 1, 1998.

15 (3) \$92,000 of the public safety and education account
16 appropriation is provided solely for the purpose of training law
17 enforcement managers and supervisors.

18 (4) \$40,000 of the public safety and education account
19 appropriation is provided solely to implement the provisions of
20 Substitute House Bill No. 1423 (criminal justice training commission).
21 If this bill is not enacted by June 30, 1997, the amount provided in
22 this subsection shall lapse.

23 (5) \$225,000 of the general fund--state fiscal year 1999
24 appropriation is provided solely for information technology upgrades
25 and improvements for the criminal justice training commission.

26 (6) \$15,000 of the general fund--state fiscal year 1998
27 appropriation and \$25,000 of the general fund--state fiscal year 1999
28 appropriation are provided solely for the relocation and new lease
29 costs of the criminal justice training commission's headquarters in
30 Thurston county.

31 (7) \$35,000 of the general fund--state appropriation for fiscal
32 year 1999 is provided solely for costs associated with the
33 implementation of incident-based crime reporting.

34 **Sec. 217.** 1997 c 454 s 211 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

37 General Fund Appropriation (FY 1998)	. . . . . \$	6,805,000
38 General Fund Appropriation (FY 1999)	. . . . . \$	((6,848,000))

1		<u>7,069,000</u>
2	Public Safety and Education Account--	
3	State Appropriation	\$ ((16,246,000))
4		<u>16,082,000</u>
5	Public Safety and Education Account--	
6	Federal Appropriation	\$ 6,002,000
7	Public Safety and Education Account--	
8	Private/Local Appropriation	\$ ((2,014,000))
9		<u>2,178,000</u>
10	Electrical License Account Appropriation	\$ 22,542,000
11	Farm Labor Revolving Account Appropriation	\$ 28,000
12	Worker and Community Right-to-Know Account	
13	Appropriation	\$ 2,187,000
14	Public Works Administration Account	
15	Appropriation	\$ ((1,975,000))
16		<u>1,975,000</u>
17	Accident Account--State Appropriation	\$ ((146,901,000))
18		<u>151,634,000</u>
19	Accident Account--Federal Appropriation	\$ 9,112,000
20	Medical Aid Account--State Appropriation	\$ ((155,276,000))
21		<u>154,142,000</u>
22	Medical Aid Account--Federal Appropriation	\$ 1,592,000
23	Plumbing Certificate Account Appropriation	\$ 947,000
24	Pressure Systems Safety Account Appropriation	\$ 2,106,000
25	TOTAL APPROPRIATION	\$ ((380,581,000))
26		<u>384,401,000</u>

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

29 (1) Expenditures of funds appropriated in this section for the
30 information systems projects identified in agency budget requests as
31 "claims service delivery", "electrical permitting and inspection
32 system", and "credentialing information system" are conditioned upon
33 compliance with section 902 of this act.

34 (2) Pursuant to RCW 7.68.015, the department shall operate the
35 crime victims compensation program within the public safety and
36 education account funds appropriated in this section. In the event
37 that cost containment measures are necessary, the department may (a)
38 institute copayments for services; (b) develop preferred provider and
39 managed care contracts; (c) coordinate with the department of social

1 and health services to use the public safety and education account as
2 matching funds for federal Title XIX reimbursement, to the extent this
3 maximizes total funds available for services to crime victims.

4 (3) \$54,000 of the general fund appropriation for fiscal year 1998
5 and \$54,000 of the general fund appropriation for fiscal year 1999 are
6 provided solely for an interagency agreement to reimburse the board of
7 industrial insurance appeals for crime victims appeals.

8 (4) The secretary of social and health services and the director of
9 labor and industries shall report to the appropriate fiscal and policy
10 committees of the legislature by July 1, 1997, and every six months
11 thereafter on the measurable changes in employee injury and time-loss
12 rates that have occurred in the state developmental disabilities,
13 juvenile rehabilitation, and mental health institutions as a result of
14 the upfront loss-control discount agreement between the agencies.

15 (5) The expenditures of the elevator, factory assembled structures,
16 and contractors' registration and compliance programs may not exceed
17 the revenues generated by these programs.

18 (6) \$101,000 of the plumbing certificate account appropriation is
19 provided solely for the implementation of Substitute Senate Bill No.
20 5749 (pipe installer). If the bill is not enacted by June 30, 1997,
21 the amount provided shall lapse.

22 (7) \$56,000 of the medical aid account appropriation and \$52,000 of
23 the accident account appropriation are provided solely for evaluating
24 agency operational improvements.

25 (8) \$593,000 of nonappropriated funds from the medical aid account
26 shall be provided solely for allocation to the joint legislative audit
27 and review committee for a performance audit and operations review of
28 the state workers' compensation system pursuant to Substitute Senate
29 Bill No. 6030.

30 (9) \$170,000 of the accident account--state appropriation and
31 \$170,000 of the medical aid account--state appropriation are provided
32 solely for payment to the office of the attorney general for legal
33 services provided in the 1995-97 biennium.

34 (10) \$686,000 of the accident account appropriation and \$686,000 of
35 the medical aid account appropriation for fiscal year 1999 are provided
36 solely to fund 24 claims manager positions in fiscal year 1999 (12
37 worker compensation adjudicator 2 and 12 worker compensation
38 adjudicator 3 positions). With these new positions, the department is
39 expected to reduce time-loss duration in claims by 5 percent by June

1 30, 2000, and an additional 2.5 percent by June 30, 2001. The average
 2 caseload for level 2 claims managers should also drop to approximately
 3 190 by June 30, 2000. The director of the department shall report to
 4 the appropriate fiscal and policy committees of the legislature and the
 5 office of financial management by June 30, 1998, and every year
 6 thereafter, on the measurable progress made toward attaining these
 7 goals. The 1998 report shall indicate the baseline figures from July
 8 1, 1997. If substantial progress has not been achieved by June 30,
 9 2000, the 24 claims manager positions and the funding associated with
 10 these positions shall be discontinued.

11 (11) \$41,000 of the general fund appropriation for fiscal year
 12 1999, \$160,000 of the accident account--state appropriation, and
 13 \$53,000 of the medical aid account--state appropriation are provided
 14 solely to implement sections 4 and 11 of Engrossed Second Substitute
 15 House Bill No. 2345 (revising administrative law). If sections 4 and
 16 11 of the bill are not enacted by June 30, 1998, the amounts provided
 17 in this subsection shall lapse.

18 **Sec. 218.** 1997 c 454 s 209 (uncodified) is amended to read as
 19 follows:

20 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

21 (1) HEADQUARTERS

22	General Fund Appropriation (FY 1998)	. . . . . \$	((1,409,000))
23			1,609,000
24	General Fund Appropriation (FY 1999)	. . . . . \$	1,404,000
25	Industrial Insurance Premium Refund Account		
26	Appropriation	. . . . . \$	80,000
27	Charitable, Educational, Penal, and Reformatory		
28	Institutions Account Appropriation	. . . . . \$	4,000
29	TOTAL APPROPRIATION	. . . . . \$	((2,897,000))
30			3,097,000

31 The appropriations in this subsection are subject to the following
 32 conditions and limitations: \$200,000 of the general fund appropriation
 33 for fiscal year 1998 is provided solely as the state's contribution to
 34 the construction of a memorial on the state capitol grounds to the men
 35 and women who served in the nation's armed forces during the second
 36 world war. The department shall raise the remaining two-thirds of the
 37 memorial's cost from individual and corporate contributions.

1	(2) FIELD SERVICES		
2	General Fund--State Appropriation (FY 1998) . . .	\$	2,418,000
3	General Fund--State Appropriation (FY 1999) . . .	\$	2,420,000
4	General Fund--Federal Appropriation	\$	26,000
5	General Fund--Private/Local Appropriation	\$	85,000
6	TOTAL APPROPRIATION	\$	4,949,000

7	(3) INSTITUTIONAL SERVICES		
8	General Fund--State Appropriation (FY 1998) . . .	\$	((6,101,000))
9			<u>6,576,000</u>
10	General Fund--State Appropriation (FY 1999) . . .	\$	((5,369,000))
11			<u>5,522,000</u>
12	General Fund--Federal Appropriation	\$	((19,556,000))
13			<u>18,950,000</u>
14	General Fund--Private/Local Appropriation	\$	((14,583,000))
15			<u>14,561,000</u>
16	TOTAL APPROPRIATION	\$	45,609,000

17 **Sec. 219.** 1997 c 454 s 212 (uncodified) is amended to read as
18 follows:

19 **FOR THE DEPARTMENT OF HEALTH**

20	General Fund--State Appropriation (FY 1998) . . .	\$	((62,996,000))
21			<u>63,189,000</u>
22	General Fund--State Appropriation (FY 1999) . . .	\$	((65,741,000))
23			<u>73,170,000</u>
24	General Fund--Federal Appropriation	\$	((259,139,000))
25			<u>262,504,000</u>
26	General Fund--Private/Local Appropriation	\$	((24,351,000))
27			<u>23,578,000</u>
28	Hospital Commission Account Appropriation	\$	3,089,000
29	Health Professions Account Appropriation	\$	((36,038,000))
30			<u>36,255,000</u>
31	Emergency Medical and Trauma Care Services Account		
32	Appropriation	\$	21,042,000
33	Safe Drinking Water Account Appropriation	\$	2,494,000
34	Death Investigations Account Appropriation . . .	\$	((1,000,000))
35			<u>650,000</u>
36	Drinking Water Assistance Account--Federal		
37	Appropriation	\$	5,385,000
38	Waterworks Operator Certification Appropriation .	\$	588,000

1	Water Quality Account Appropriation	\$	3,065,000
2	Violence Reduction and Drug Enforcement		
3	Account Appropriation	\$	469,000
4	State toxics Control Account Appropriation . . .	\$	2,854,000
5	Medical Test Site Licensure Account		
6	Appropriation	\$	1,624,000
7	Youth Tobacco Prevention Account Appropriation .	\$	1,812,000
8	Health Services Account Appropriation	\$	((12,474,000))
9			<u>6,115,000</u>
10	TOTAL APPROPRIATION	\$	((504,161,000))
11			<u>507,883,000</u>

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

14 (1) \$2,134,000 of the health professions account appropriation is
15 provided solely for the development and implementation of a licensing
16 and disciplinary management system. Expenditures are conditioned upon
17 compliance with section 902 of this act. These funds shall not be
18 expended without appropriate project approval by the department of
19 information systems.

20 (2) Funding provided in this section for the drinking water program
21 data management system shall not be expended without appropriate
22 project approval by the department of information systems.
23 Expenditures are conditioned upon compliance with section 902 of this
24 act.

25 (3) The department or any successor agency is authorized to raise
26 existing fees charged to the nursing professions and midwives~~((7))~~;
27 chemical dependency counselors; by the pharmacy board~~((7))~~; and for
28 boarding home; hospital; and home health, home care, and hospice agency
29 licenses, in excess of the fiscal growth factor established by
30 Initiative Measure No. 601, if necessary, to meet the actual costs of
31 conducting business and the appropriation levels in this section.

32 (4) ~~\$((1,633,000))~~ 1,526,000 of the general fund--state fiscal year
33 1998 appropriation and ~~\$((1,634,000))~~ 1,741,000 of the general fund--
34 state fiscal year 1999 appropriation are provided solely for the
35 implementation of the Puget Sound water work plan and agency action
36 items, DOH-01, DOH-02, DOH-03, DOH-04, DOH-05, DOH-06, DOH-07, DOH-08,
37 DOH-09, DOH-10, DOH-11, and DOH-12.

38 (5) \$10,000,000 of the health services account appropriation is
39 provided solely for distribution to local health departments for

1 distribution on a per capita basis. Prior to distributing these funds,
2 the department shall adopt rules and procedures to ensure that these
3 funds are not used to replace current local support for public health
4 programs.

5 (6) \$500,000 of the general fund--state appropriation for fiscal
6 year 1998 and \$500,000 of the general fund--state appropriation for
7 fiscal year 1999 are provided solely for operation of a youth suicide
8 prevention program at the state level, including a state-wide public
9 educational campaign to increase knowledge of suicide risk and ability
10 to respond and provision of twenty-four hour crisis hotlines, staffed
11 to provide suicidal youth and caregivers a source of instant help.

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

28 (8) \$259,000 of the health professions account appropriation is
29 provided solely to implement Engrossed House Bill No. 3901
30 (implementing welfare reform). If the bill is not enacted by June 30,
31 1997, the amounts provided in this subsection shall lapse.

32 (9) \$150,000 of the general fund--state fiscal year 1998
33 appropriation and \$150,000 of the general fund--state fiscal year 1999
34 appropriation are provided solely for community-based oral health
35 grants that may fund sealant programs, education, prevention, and other
36 oral health interventions. The grants may be awarded to state or
37 federally funded community and migrant health centers, tribal clinics,
38 or public health jurisdictions. Priority shall be given to communities
39 with established oral health coalitions. Grant applications for oral

1 health education and prevention grants shall include (a) an assessment
2 of the community's oral health education and prevention needs; (b)
3 identification of the population to be served; and (c) a description of
4 the grant program's predicted outcomes.

5 (10) \$21,042,000 of the emergency medical and trauma care services
6 account appropriation is provided solely for implementation of
7 Substitute Senate Bill No. 5127 (trauma care services). If the bill is
8 not enacted by June 30, 1997, the amount provided in this subsection
9 shall lapse.

10 (11) \$500,000 of the general fund--state appropriation for fiscal
11 year 1998 and \$500,000 of the general fund--state appropriation for
12 fiscal year 1999 are provided solely for family support and provider
13 training services for children with special health care needs.

14 (12) \$300,000 of the general fund--federal appropriation is
15 provided solely for an abstinence education program which complies with
16 P.L. 104-193. \$400,000 of the general fund--federal appropriation is
17 provided solely for abstinence education projects at the office of the
18 superintendent of public instruction and shall be transferred to the
19 office of the superintendent of public instruction for the 1998-99
20 school year. The department shall apply for abstinence education funds
21 made available by the federal personal responsibility and work
22 opportunity act of 1996 and implement a program that complies with the
23 requirements of that act.

24 (13) \$50,000 of the general fund--state appropriation for fiscal
25 year 1998 and \$50,000 of the general fund--state appropriation for
26 fiscal year 1999 are provided solely for the implementation of Second
27 Substitute House Bill No. 1191 (mandated health benefit review). If
28 the bill is not enacted by June 30, 1997, the amounts provided in this
29 section shall lapse.

30 (14) \$100,000 of the general fund--state appropriation for fiscal
31 year 1998 and \$100,000 of the general fund--state appropriation for
32 fiscal year 1999 are provided solely for the volunteer retired provider
33 program. Funds shall be used to increase children's access to dental
34 care services in rural and underserved communities by paying
35 malpractice insurance and professional licensing fees for retired
36 dentists participating in the program.

37 (15) \$852,000 of the drinking water assistance account--federal
38 appropriation is provided solely for an interagency agreement with the
39 department of community, trade, and economic development to administer,

1 in cooperation with the public works board, loans to local governments
2 and public water systems for projects and activities to protect and
3 improve the state's drinking water facilities and resources.

4 (16) \$3,347,000 of the fiscal year 1998 general fund--state
5 appropriation and \$3,347,000 of the fiscal year 1999 general fund--
6 state appropriation are provided solely for the AIDS prescription drug
7 program and HIV intervention program. The department shall operate the
8 program within total appropriations. The department shall take such
9 actions as are necessary to control expenditures, including
10 administrative efficiencies such as reductions to provider
11 reimbursement rates, modifications to financial eligibility,
12 modifications to the scope of services, and client cost sharing
13 mechanisms. The department shall identify program policy changes
14 required to manage within the amounts provided.

15 (17) Funding provided in this section is sufficient to implement
16 section 8 of Engrossed Substitute House Bill No. 2264 (eliminating the
17 health care policy board).

18 (18) \$2,075,000 of the fiscal year 1998 general fund--state
19 appropriation and \$2,075,000 of the fiscal year 1999 general fund--
20 state appropriation are provided solely for the Washington poison
21 center.

22 (19) ~~\$(1,000,000)~~ 650,000 of the death investigations account
23 appropriation is provided solely for the implementation of state-wide
24 child mortality reviews. Local health jurisdictions shall coordinate
25 child mortality reviews for children from birth to eighteen years of
26 age, develop local child mortality review protocols, and serve as the
27 appointing authority and lead agency for local child death review
28 teams. The department of health shall develop standard aggregate data
29 elements, collect and analyze local child mortality review data,
30 provide technical assistance to local child mortality review teams, and
31 approve local child death review protocols. If House Bill No. 1269
32 (death investigations account) is not enacted by June 30, 1997, the
33 amount provided in this subsection shall lapse.

34 (20) \$1,125,000 of the fiscal year 1998 general fund--state
35 appropriation and \$1,125,000 of the fiscal year 1999 general fund--
36 state appropriation are provided solely for deposit in the county
37 public health account.

38 (21) \$60,000 of the general fund--state appropriation for fiscal
39 year 1998 and \$60,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely for attorney general services and
2 such other activities not covered by fee revenues as are necessary for
3 implementation of Engrossed Substitute House Bill No. 2264 (health care
4 policy). If the bill is not enacted by June 30, 1997, the amounts
5 provided in this subsection shall lapse.

6 (22) \$250,000 of the fiscal year 1998 general fund--state
7 appropriation \$250,000 of the fiscal year 1999 general fund--state
8 appropriation are provided solely for operation of a naturopathic
9 health clinic constructed in 1996.

10 (23) \$60,000 of the general fund--state appropriation for fiscal
11 year 1999 is provided solely for the implementation of Second
12 Substitute Senate Bill No. 6168 (temporary worker housing). If the
13 bill is not enacted by June 30, 1998, the amount provided in this
14 subsection shall lapse.

15 (24) \$250,000 of the general fund--federal appropriation is
16 provided solely to conduct monitoring for thyroid diseases for eligible
17 people exposed to radiation from Hanford between 1945 and 1951, and is
18 contingent upon the execution of an agreement with the state of Oregon
19 that the state of Washington will function as a subrecipient for the
20 Hanford medical monitoring program grant. If such an agreement is not
21 executed by September 30, 1998, the amount provided in this subsection
22 shall lapse.

23 (25) \$730,000 of the health professions account appropriation is
24 provided solely for the purposes of the impaired physician program. If
25 Second Substitute House Bill No. 1618 (impaired physician program) or
26 substantially similar legislation is enacted by June 30, 1998, the
27 amounts provided in this subsection shall lapse.

28 (26) \$1,000,000 of the general fund--state appropriation for fiscal
29 year 1999 is provided solely for the breast and cervical cancer
30 screening program.

31 (27) Within existing resources, the department shall maintain
32 funding support for neurodevelopmental centers and in no case shall
33 that support in fiscal year 1999 be reduced below the total sum awarded
34 by contract to neurodevelopmental centers in fiscal year 1998.

35 (28) \$37,000 of the general fund--state appropriation and \$3,000 of
36 the health professions account appropriation for fiscal year 1999 are
37 provided solely to implement sections 1, 4, and 11 of Engrossed Second
38 Substitute House Bill No. 2345 (revising administrative law). If

1 sections 1, 4, and 11 of the bill are not enacted by June 30, 1998, the
2 amounts provided in this subsection shall lapse.

3 (29) \$300,000 of the general fund--state appropriation is provided
4 solely for the implementation of a hepatitis A emergency vaccination
5 program. This entire amount shall be passed through to county health
6 districts that have employed a public education effort and have
7 infection rates in excess of 100 per 100,000 population.

8 **Sec. 220.** 1997 c 454 s 213 (uncodified) is amended to read as
9 follows:

10 **FOR THE DEPARTMENT OF CORRECTIONS**

11 The appropriations to the department of corrections in chapter 454,
12 Laws of 1997, as amended, shall be expended for the programs and in the
13 amounts specified therein. However, after April 1, 1998, unless
14 specifically prohibited by this act, the department may transfer
15 general fund--state appropriations for fiscal year 1998 between the
16 institutional services and community corrections programs after
17 approval by the director of financial management. The director of
18 financial management shall notify the appropriate fiscal committees of
19 the senate and house of representatives in writing prior to approving
20 any deviations from appropriation levels.

21 (1) ADMINISTRATION AND PROGRAM SUPPORT

22	General Fund Appropriation (FY 1998)	. . . . . \$	13,926,000
23	General Fund Appropriation (FY 1999)	. . . . . \$	13,910,000
24	Violence Reduction and Drug Enforcement Account		
25	Appropriation	. . . . . \$	500,000
26	TOTAL APPROPRIATION	. . . . . \$	28,336,000

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

29 (a) \$187,000 of the general fund fiscal year 1998 appropriation and
30 \$155,000 of the general fund fiscal year 1999 appropriation are
31 provided solely for implementation of Substitute Senate Bill No. 5759
32 (risk classification). If the bill is not enacted by July 1, 1997, the
33 amounts provided shall lapse.

34 (b) \$500,000 of the violence reduction and drug enforcement account
35 appropriation is provided solely for a feasibility study regarding the
36 replacement of the department's offender based tracking system. This

1 appropriation is conditioned on the department satisfying the
2 requirements of section 902, chapter 149, Laws of 1997.

3 (2) INSTITUTIONAL SERVICES

4	General Fund--State Appropriation (FY 1998) . . . \$	((291,745,000))
5		<u>289,665,000</u>
6	General Fund--State Appropriation (FY 1999) . . . \$	((304,000,000))
7		<u>303,830,000</u>
8	General Fund--Federal Appropriation \$	18,097,000
9	Industrial Insurance Premium Rebate Account	
10	Appropriation \$	673,000
11	Violence Reduction and Drug Enforcement Account	
12	Appropriation \$	1,614,000
13	TOTAL APPROPRIATION \$	((616,129,000))
14		<u>613,879,000</u>

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

17 (a) The department shall provide funding for the pet partnership
18 program at the Washington corrections center for women at a level at
19 least equal to that provided in the 1995-97 biennium.

20 (b) ((~~\$4,839,000~~)) \$3,978,000 of the general fund--state fiscal
21 year 1998 appropriation and ((~~\$6,481,000~~)) \$5,381,000 of the general
22 fund--state fiscal year 1999 appropriation are provided solely for the
23 criminal justice costs associated with the implementation of Engrossed
24 Third Substitute House Bill No. 3900 (revising the juvenile code). If
25 Engrossed Third Substitute House Bill No. 3900 is not enacted by June
26 30, 1997, the amounts provided shall lapse.

27 (c) The department of corrections shall accomplish personnel
28 reductions with the least possible impact on correctional custody
29 staff, community custody staff, and correctional industries. For the
30 purposes of this subsection, correctional custody staff means employees
31 responsible for the direct supervision of offenders.

32 ((~~(e)~~)) (d) \$296,000 of the general fund--state appropriation for
33 fiscal year 1998 and \$297,000 of the general fund--state appropriation
34 for fiscal year 1999 are provided solely to increase payment rates for
35 contracted education providers. It is the legislature's intent that
36 these amounts shall be used primarily to increase compensation for
37 persons employed in direct, front-line service delivery.

1 (~~(f)~~) (e) The department may expend funds generated by
2 contractual agreements entered into for mitigation of severe
3 overcrowding in local jails. If any funds are generated in excess of
4 actual costs, they shall be deposited in the state general fund.
5 Expenditures shall not exceed revenue generated by such agreements and
6 shall be treated as recovery of costs.

7 (f) \$70,000 of the general fund--state fiscal year 1999
8 appropriation is provided solely for the implementation of Senate Bill
9 No. 6139 (amphetamine crimes). If the bill is not enacted by June 30,
10 1998, the amount provided in this subsection shall lapse.

11 (g) \$36,000 of the general fund--state fiscal year 1999
12 appropriation is provided solely for the implementation of House Bill
13 No. 1172 (sex offender registration). If the bill is not enacted by
14 June 30, 1998, the amount provided in this subsection shall lapse.

15 (h) \$8,000 of the general fund--state fiscal year 1999
16 appropriation is provided solely for the implementation of House Bill
17 No. 2628 (methamphetamine manufacture). If the bill is not enacted by
18 June 30, 1998, the amount provided in this subsection shall lapse.

19 (3) COMMUNITY CORRECTIONS

20	General Fund Appropriation (FY 1998)	. . . . . \$	((89,377,000))
21			<u>88,830,000</u>
22	General Fund Appropriation (FY 1999)	. . . . . \$	((90,495,000))
23			<u>90,670,000</u>
24	TOTAL APPROPRIATION	. . . . . \$	((179,872,000))
25			<u>179,500,000</u>

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

28 (a) \$27,000 of the general fund fiscal year 1998 appropriation and
29 \$185,000 of the general fund fiscal year 1999 appropriation are
30 provided solely for the criminal justice costs associated with the
31 implementation of Engrossed Third Substitute House Bill No. 3900
32 (revising the juvenile code). If Engrossed Third Substitute House Bill
33 No. 3900 is not enacted by June 30, 1997, the amounts provided shall
34 lapse.

35 (b) The department of corrections shall accomplish personnel
36 reductions with the least possible impact on correctional custody
37 staff, community custody staff, and correctional industries. For the

1 purposes of this subsection, correctional custody staff means employees
2 responsible for the direct supervision of offenders.

3 (c) \$467,000 of the general fund appropriation for fiscal year 1998
4 and \$505,000 of the general fund appropriation for fiscal year 1999 are
5 provided solely to increase payment rates for contracted education
6 providers and contracted work release facilities. It is the
7 legislature's intent that these amounts shall be used primarily to
8 increase compensation for persons employed in direct, front-line
9 service delivery.

10 (d) \$45,000 of the general fund--state fiscal year 1999
11 appropriation is provided solely for the implementation of Substitute
12 Senate Bill No. 5760 (mentally ill offenders). If the bill is not
13 enacted by June 30, 1998, the amount provided in this subsection shall
14 lapse.

15 (e) \$609,000 of the general fund--state fiscal year 1998
16 appropriation and \$226,000 of the general fund--state fiscal year 1999
17 appropriation are provided solely for costs associated with allowing
18 community corrections officers to carry firearms.

19 (4) CORRECTIONAL INDUSTRIES

20	General Fund Appropriation (FY 1998)	. . . . .	\$	4,055,000
21	General Fund Appropriation (FY 1999)	. . . . .	\$	4,167,000
22	TOTAL APPROPRIATION	. . . . .	\$	8,222,000

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

25 (a) \$100,000 of the general fund fiscal year 1998 appropriation and
26 \$100,000 of the general fund fiscal year 1999 appropriation are
27 provided solely for transfer to the jail industries board. The board
28 shall use the amounts provided only for administrative expenses,
29 equipment purchases, and technical assistance associated with advising
30 cities and counties in developing, promoting, and implementing
31 consistent, safe, and efficient offender work programs.

32 (b) \$50,000 of the general fund appropriation for fiscal year 1998
33 and \$50,000 of the general fund appropriation for fiscal year 1999 are
34 provided solely for the correctional industries board of directors to
35 hire one staff person, responsible directly to the board, to assist the
36 board in fulfilling its duties.

37 (5) INTERAGENCY PAYMENTS

38	General Fund Appropriation (FY 1998)	\$	((6,945,000))
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1		6,851,000
2	General Fund Appropriation (FY 1999) \$	((6,444,000))
3		6,538,000
4	TOTAL APPROPRIATION \$	13,389,000

5 **Sec. 221.** 1997 c 149 s 224 (uncodified) is amended to read as
6 follows:

7 **FOR THE SENTENCING GUIDELINES COMMISSION**

8	General Fund Appropriation (FY 1998) \$	714,000
9	General Fund Appropriation (FY 1999) \$	713,000
10	TOTAL APPROPRIATION \$	1,427,000

11 The appropriations in this section are subject to the following
12 conditions and limitations: The commission shall study the feasibility
13 and desirability of allowing certain older or physically infirm
14 offenders to be released from institutional confinement, with the
15 assumption that these released offenders would remain on community
16 custody for the remainder of their length of confinement. The study
17 shall identify: (1) Groups who would be potential candidates for such
18 a program; (2) how individual offenders in these groups could be
19 screened to maintain public safety; (3) how these offenders, if
20 released, could be supervised in such a way as to maintain public
21 safety; (4) what statutory changes would be necessary to implement such
22 a program; (5) how much savings such a program would generate; and (6)
23 any other items the commission deems relevant. The study shall be
24 transmitted to the chairs and ranking minority members of the
25 appropriate policy and fiscal committees of the legislature not later
26 than December 15, 1998.

27 **Sec. 222.** 1997 c 454 s 214 (uncodified) is amended to read as
28 follows:

29 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

30	General Fund--State Appropriation (FY 1998) . . . \$	1,260,000
31	General Fund--State Appropriation (FY 1999) . . . \$	1,261,000
32	General Fund--Federal Appropriation \$	((173,595,000))
33		198,628,000
34	General Fund--Private/Local Appropriation \$	((24,842,000))
35		28,650,000
36	Unemployment Compensation Administration Account--	
37	Federal Appropriation \$	((181,985,000))

1		182,312,000
2	Administrative Contingency Account	
3	Appropriation	\$ ((12,579,000))
4		<u>13,527,000</u>
5	Employment Service Administrative Account	
6	Appropriation	\$ ((13,176,000))
7		<u>14,500,000</u>
8	Employment & Training Trust Account	
9	Appropriation	\$ 600,000
10	TOTAL APPROPRIATION	\$ ((409,298,000))
11		<u>440,738,000</u>

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

14 (1) Expenditures of funds appropriated in this section for the
15 information systems projects identified in agency budget requests as
16 "claims and adjudication call centers", "data/wage quality initiative",
17 and "one stop information connectivity" are conditioned upon compliance
18 with section 902 of this act.

19 (2) \$600,000 of the employment and training trust account
20 appropriation is provided solely for the account's share of
21 unemployment insurance tax collection costs.

22 (3) \$1,126,000 of the general fund--federal appropriation is
23 provided solely for the continuation of job placement centers colocated
24 on community and technical college campuses. The department shall
25 maintain the current level of service at all 32 colocation sites
26 through the remainder of the 1997-99 biennium.

27 (4) The employment security department shall spend no more than
28 \$25,049,511 of the unemployment compensation administration account--
29 federal appropriation for the general unemployment insurance
30 development effort (GUIDE) project, except that the department may
31 exceed this amount by up to \$2,600,000 to offset the cost associated
32 with any vendor-caused delay. The additional spending authority is
33 contingent upon the department fully recovering these moneys from any
34 project vendors failing to perform in full. Authority to spend the
35 amount provided by this subsection is conditioned on compliance with
36 section 902 of this act.

37 (5) \$60,000 of the general fund--state fiscal year 1998
38 appropriation and \$61,000 of the general fund--state fiscal year 1999

1 appropriation are provided solely for the King county reemployment
2 support center.

3 (6) \$1,200,000 of the general fund--state fiscal year 1998
4 appropriation and \$1,200,000 of the general fund--state fiscal year
5 1999 appropriation are provided solely for labor market information and
6 employer outreach activities.

7 (7) \$948,000 of the administrative contingency account
8 appropriation and \$838,000 of the employment service administrative
9 account appropriation are provided solely for the department to
10 evaluate the tax determination system compared to other systems,
11 improve the disclosure of information on the employer rate notice, and
12 address deficiencies in the tax information system (TAXIS).

13 (8)(a) Within the amounts appropriated in this section, the
14 commissioner shall improve the disclosure of information on the
15 employer rate notice for 1999 rate year unemployment contributions.
16 The information disclosed on the notice must be for the 1997 calendar
17 year and for the period used to calculate the employer's experience
18 rating for the 1999 rate year. The notice must include an explanation
19 in plain language of the disclosed information and the disclosed
20 information relationship to the employer's contributions. The
21 information disclosed must include to the greatest extent possible:

22 (i) The contributions paid by the employer;

23 (ii) The benefits charged to the employer's experience rating
24 account; and

25 (iii) The dollar amount that represents the difference between
26 (a)(i) and (ii) of this subsection.

27 (b) In addition, the commissioner shall include the following
28 information paid from the trust fund for each of the three most
29 recently completed calendar years for: (i) Total benefits paid; (ii)
30 benefits paid that were in excess of one percent of the base year
31 earnings of all claimants; (iii) benefits paid to claimants and not
32 charged to any employer due to a voluntary quit; and (iv) benefits paid
33 to a claimant but not charged to any employer because of marginal labor
34 force attachment, along with a generic explanation of why these
35 benefits were paid.

36 (9) \$20,156,000 of the general fund--federal appropriation is
37 provided solely to implement the federal welfare-to-work program only
38 if the governor successfully obtains an approved federal waiver for use
39 of an alternative agency or agents to administer the welfare-to-work

1 grants. If this waiver is not obtained, the amount provided in this
2 subsection shall lapse.

3 (10) \$327,000 of the unemployment compensation administration
4 account--federal appropriation and \$486,000 of the employment service
5 administrative account appropriation are provided solely for the
6 department to replace field office computers that are not compliant
7 with Year 2000 conversion standards.

8 (End of part)

PART III
NATURAL RESOURCES

Sec. 301. 1997 c 454 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund--State Appropriation (FY 1998)	\$	213,000
General Fund--State Appropriation (FY 1999)	\$	222,000
General Fund--Private/Local Appropriation	\$	((435,000))
		<u>442,000</u>
TOTAL APPROPRIATION	\$	((870,000))
		<u>877,000</u>

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

(1) \$120,000 of the general fund--state appropriation for fiscal year 1998((,)) and \$120,000 of the general fund--state appropriation for fiscal year 1999((, and \$240,000 of the general fund--local appropriation)) are provided solely for each Washington Columbia river gorge county to receive an \$80,000 grant for the purposes of implementing the scenic area management plan. If a Columbia river gorge county has not adopted an ordinance to implement the scenic area management plan in accordance with the national scenic area act (P.L. 99-663), then the grant funds for that county may be used by the commission to implement the plan for that county.

(2) \$30,000 of the general fund--state appropriation for fiscal year 1998 and \$30,000 of the general fund--state appropriation for fiscal year 1999 provided to Clark county under subsection (1) of this section shall be transferred through an inter-local agreement to Skamania county solely for implementing the national scenic area act.

Sec. 302. 1997 c 454 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation		
(FY 1998)	\$	((27,748,000))
		<u>26,013,000</u>
General Fund--State Appropriation		

1	(FY 1999)	\$	((27,795,000))
2			<u>25,860,000</u>
3	General Fund--Federal Appropriation	\$	((45,315,000))
4			<u>46,240,000</u>
5	General Fund--Private/Local Appropriation	\$	((643,000))
6			<u>1,200,000</u>
7	Special Grass Seed Burning Research Account		
8	Appropriation	\$	((42,000))
9			<u>71,000</u>
10	Reclamation Revolving Account		
11	Appropriation	\$	2,441,000
12	Flood Control Assistance Account		
13	Appropriation	\$	4,850,000
14	State Emergency Water Projects Revolving Account		
15	Appropriation	\$	319,000
16	Waste Reduction/Recycling/Litter Control		
17	Appropriation	\$	10,316,000
18	State and Local Improvements Revolving Account		
19	(Waste Facilities) Appropriation	\$	601,000
20	State and Local Improvements Revolving Account		
21	(Water Supply Facilities)		
22	Appropriation	\$	1,366,000
23	Basic Data Account Appropriation	\$	182,000
24	Vehicle Tire Recycling Account		
25	Appropriation	\$	((1,194,000))
26			<u>357,000</u>
27	Water Quality Account Appropriation	\$	2,892,000
28	Wood Stove Education and Enforcement Account		
29	Appropriation	\$	((1,055,000))
30			<u>848,000</u>
31	Worker and Community Right-to-Know Account		
32	Appropriation	\$	469,000
33	State Toxics Control Account		
34	Appropriation	\$	53,715,000
35	Local Toxics Control Account		
36	Appropriation	\$	((4,342,000))
37			<u>4,759,000</u>
38	Water Quality Permit Account		
39	Appropriation	\$	20,378,000

1	Underground Storage Tank Account		
2	Appropriation	\$	((2,443,000))
3			<u>2,638,000</u>
4	Solid Waste Management Account		
5	Appropriation	\$	((1,021,000))
6			<u>971,000</u>
7	Hazardous Waste Assistance Account		
8	Appropriation	\$	3,615,000
9	Air Pollution Control Account		
10	Appropriation	\$	16,224,000
11	Oil Spill Administration Account		
12	Appropriation	\$	((6,958,000))
13			<u>6,998,000</u>
14	Air Operating Permit Account		
15	Appropriation	\$	((4,033,000))
16			<u>3,808,000</u>
17	Freshwater Aquatic Weeds Account		
18	Appropriation	\$	1,829,000
19	Oil Spill Response Account		
20	Appropriation	\$	7,078,000
21	Metals Mining Account Appropriation	\$	42,000
22	Water Pollution Control Revolving Account--State		
23	Appropriation	\$	349,000
24	Water Pollution Control Revolving Account--Federal		
25	Appropriation	\$	1,726,000
26	Biosolids Permit Account Appropriation	\$	567,000
27	Environmental Excellence Account		
28	Appropriation	\$	247,000
29	TOTAL APPROPRIATION	\$	((251,795,000))
30			<u>248,969,000</u>

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

33 (1) \$3,211,000 of the general fund--state appropriation for fiscal
34 year 1998, \$3,211,000 of the general fund--state appropriation for
35 fiscal year 1999, \$394,000 of the general fund--federal appropriation,
36 \$2,017,000 of the oil spill administration account, \$819,000 of the
37 state toxics control account appropriation, and \$3,591,000 of the water
38 quality permit fee account are provided solely for the implementation

1 of the Puget Sound work plan and agency action items DOE-01, DOE-02,
2 DOE-03, DOE-04, DOE-05, DOE-06, DOE-07, DOE-08, and DOE-09.

3 (2) \$2,000,000 of the state toxics control account appropriation is
4 provided solely for the following purposes:

5 (a) To conduct remedial actions for sites for which there are no
6 potentially liable persons, for which potentially liable persons cannot
7 be found, or for which potentially liable persons are unable to pay for
8 remedial actions; and

9 (b) To provide funding to assist potentially liable persons under
10 RCW 70.105D.070(2)(d)(xi) to pay for the cost of the remedial actions;
11 and

12 (c) To conduct remedial actions for sites for which potentially
13 liable persons have refused to conduct remedial actions required by the
14 department; and

15 (d) To contract for services as necessary to support remedial
16 actions.

17 ~~((+6+))~~ (3) \$200,000 of the general fund--state appropriation for
18 fiscal year 1998 is provided solely for the implementation of Engrossed
19 Substitute House Bill No. 1118 (reopening a water rights claim filing
20 period). If the bill is not enacted by June 30, 1997, the amount
21 provided in this subsection shall lapse.

22 ~~((+7+))~~ (4) \$3,600,000 of the general fund--state appropriation for
23 fiscal year 1998 and \$3,600,000 of the general fund--state
24 appropriation for fiscal year 1999 are provided solely for the auto
25 emissions inspection and maintenance program. Expenditures of the
26 amounts provided in this subsection are contingent upon a like amount
27 being deposited in the general fund from the auto emission inspection
28 fees in accordance with RCW 70.120.170(4).

29 ~~((+8+))~~ (5) \$170,000 of the oil spill administration account
30 appropriation is provided solely for implementation of the Puget Sound
31 work plan action item UW-02 through a contract with the University of
32 Washington's Sea Grant program in order to develop an educational
33 program that targets small spills from commercial fishing vessels,
34 ferries, cruise ships, ports, and marinas.

35 ~~((+9+))~~ (6) The merger of the office of marine safety into the
36 department of ecology shall be accomplished in a manner that will
37 maintain a priority focus on oil spill prevention, as well as maintain
38 a strong oil spill response capability. The merged program shall be
39 established to provide a high level of visibility and ensure that there

1 shall not be a diminution of the existing level of effort from the
2 merged programs.

3 ~~((10))~~ (7) The entire environmental excellence account
4 appropriation is provided solely for the implementation of Engrossed
5 Second Substitute House Bill No. 1866 (environmental excellence). If
6 the bill is not enacted by June 30, 1997, the amount provided in this
7 subsection shall lapse. In implementing the bill, the department shall
8 organize the needed expertise to process environmental excellence
9 applications after an application has been received.

10 ~~((11))~~ (8) \$200,000 of the freshwater aquatic weeds account
11 appropriation is provided solely to address saltcedar weed problems.

12 ~~((12))~~ (9) \$4,498,000 of the waste reduction, recycling, and
13 litter control account appropriation is provided for fiscal year 1998
14 and \$5,818,000 is provided for fiscal year 1999 to be expended in the
15 following ratios: Fifty percent for a litter patrol program to employ
16 youth and correctional work crews to remove litter from places that are
17 most visible to the public; twenty percent for grants to local
18 governments for litter cleanup under RCW 70.93.250; and thirty percent
19 for public education and awareness programs and programs to foster
20 local waste reduction and recycling efforts. From the amounts provided
21 in this subsection, the department shall provide \$352,000 through an
22 interagency agreement to the department of corrections to hire
23 correctional crews to remove litter in areas that are not accessible to
24 youth crews.

25 ~~((13))~~ (10) The entire biosolids permit account appropriation is
26 provided solely for implementation of Engrossed Senate Bill No. 5590
27 (biosolids management). If the bill is not enacted by June 30, 1997,
28 the entire appropriation is null and void.

29 ~~((14))~~ (11) \$29,000 of the general fund--state appropriation for
30 fiscal year 1998 and \$99,000 of the general fund--state appropriation
31 for fiscal year 1999 are provided solely for the implementation of
32 Substitute House Bill No. 1985 (landscape management plans). If the
33 bill is not enacted by June 30, 1997, the amounts provided in this
34 subsection shall lapse.

35 ~~((15))~~ (12) \$60,000 of the freshwater aquatic weeds account
36 appropriation is provided solely for a grant to the department of fish
37 and wildlife to control and eradicate purple loosestrife using the most
38 cost-effective methods available, including chemical control where
39 appropriate.

1 (~~(16)~~) (13) \$250,000 of the flood control assistance account
2 appropriation is provided solely as a reappropriation to complete the
3 Skokomish valley flood reduction plan. The amount provided in this
4 subsection shall be reduced by the amount expended from this account
5 for the Skokomish valley flood reduction plan during the biennium
6 ending June 30, 1997.

7 (~~(18)~~) (14) \$600,000 of the flood control assistance account
8 appropriation is provided solely to complete flood control projects
9 that were awarded funds during the 1995-97 biennium. These funds shall
10 be spent only to complete projects that could not be completed during
11 the 1995-97 biennium due to delays caused by weather or delays in the
12 permitting process.

13 (~~(19)~~) (15) \$113,000 of the general fund--state appropriation for
14 fiscal year 1998 and \$112,000 of the general fund--state appropriation
15 for fiscal year 1999 are provided solely for implementation of
16 Substitute Senate Bill No. 5505 (assistance to water applicants). If
17 the bill is not enacted by June 30, 1997, the amounts provided in this
18 subsection shall lapse.

19 (~~(20)~~) (16) \$70,000 of the general fund--state appropriation for
20 fiscal year 1998 and \$70,000 of the general fund--state appropriation
21 for fiscal year 1999 are provided solely for implementation of
22 Substitute Senate Bill No. 5785 (consolidation of groundwater rights).
23 If the bill is not enacted by June 30, 1997, the amounts provided in
24 this subsection shall lapse.

25 (~~(21)~~) (17) \$20,000 of the general fund--state appropriation for
26 fiscal year 1998 and \$20,000 of the general fund--state appropriation
27 for fiscal year 1999 are provided solely for implementation of
28 Substitute Senate Bill No. 5276 (water right applications). If the
29 bill is not enacted by June 30, 1997, the amounts provided in this
30 subsection shall lapse.

31 (~~(23)~~) (18) \$500,000 of the general fund--state appropriation for
32 fiscal year 1998 and \$500,000 of the general fund--state appropriation
33 for fiscal year 1999 are provided solely for the continuation of the
34 southwest Washington coastal erosion study and for coastal erosion
35 project grants. Fifty percent of the amount for fiscal year 1999 shall
36 be allocated to the department of community, trade, and economic
37 development for coastal erosion project grants.

38 (19) It is the intent of the legislature that, within the general
39 fund--state appropriations provided in this section, the department

1 shall prioritize its resources to provide expedited assistance to
2 businesses seeking permitting and technical assistance for rural
3 economic development projects. Top priority shall be given to pending
4 economic development projects which are located in rural counties and
5 which have invoked the coordinated permit process pursuant to chapter
6 90.60 RCW, and the relative priority among such projects shall be based
7 upon the date of execution of the project's coordinated permit
8 agreement, with the earliest agreement having top priority.

9 (20) Within the amounts provided in this section, the department
10 shall contract for a scientific review by a panel selected by the
11 society of environmental toxicology and chemistry of the following
12 documents: 1992 environmental impact statement on aquatic weeds; the
13 KCM phase 1 study of Lake Steilacoom; the conditions and requirements
14 of the first permit issued for the 1997 treatment season for Lake
15 Steilacoom; and, studies done in respect to the listing of Lake
16 Steilacoom as a possible model toxic control act site.

17 (21) \$195,000 of the underground storage tank account appropriation
18 is provided solely for the implementation of Substitute Senate Bill No.
19 6130 (underground storage tanks). If the bill is not enacted by June
20 30, 1998, the amount provided in this subsection shall lapse.

21 (22) \$417,000 of the local toxics control account appropriation is
22 provided solely to implement Substitute Senate Bill No. 6474
23 (fertilizer regulation). If the bill is not enacted by June 30, 1998,
24 the amount provided in this subsection shall lapse.

25 (23) Using up to \$19,000 of the special grass seed burning research
26 account appropriation the department shall provide funding to
27 Washington State University to conduct a grass burning emissions study.

28 (24) Within the amounts provided in this section, the department
29 shall conduct a demonstration project on the effectiveness of the
30 state-registered herbicide "Navigate" for the control of Eurasian water
31 milfoil in Loon Lake in Stevens county. The department shall provide
32 a grant to the Stevens county weed board to cover fifty percent of the
33 cost of application of the herbicide. A local match of fifty percent
34 of the cost of application of the herbicide is required. Permits and
35 approvals necessary to implement the demonstration project may be
36 conditioned by the department to protect public health and the
37 environment, but approval may not be withheld.

38 (25) Within the amounts provided in this section, the department
39 shall provide funds to Yakima county superior court for staff and

1 associated costs to support the Yakima river basin water rights
2 adjudication.

3 NEW SECTION. **Sec. 303.** A new section is added to 1997 c 149
4 (uncodified) to read as follows:

5 **FOR THE DEPARTMENT OF ECOLOGY**

6	General Fund--State Appropriation (FY 1998)	\$	1,700,000
7	General Fund--State Appropriation (FY 1999)	\$	4,420,000
8	General Fund--Federal Appropriation	\$	18,000
9	Water Quality Permit Account Appropriation	\$	9,000
10	Air Pollution Control Account Appropriation	\$	9,000
11	TOTAL APPROPRIATION	\$	6,156,000

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

14 (1) \$1,400,000 of the general fund--state appropriation for fiscal
15 year 1998 and \$3,600,000 of the general fund--state appropriation for
16 fiscal year 1999 are provided solely to implement sections 1 through 9
17 of Engrossed Substitute House Bill No. 2514 (integrated watershed
18 management). If any of these sections of the bill are not enacted by
19 June 30, 1998, the amount provided in this subsection shall lapse. Of
20 the amounts in this subsection, \$1,400,000 of the general fund--state
21 appropriation for fiscal year 1998 and \$2,500,000 of the general fund--
22 state appropriation for fiscal year 1999 are provided solely for grants
23 to local watershed planning units, and \$1,100,000 of the general fund--
24 state appropriation for fiscal year 1999 is provided solely for
25 technical assistance to local watershed planning groups. The
26 department may provide moneys to other state agencies that provide
27 technical assistance to local watershed planning groups through an
28 interagency agreement.

29 (2) \$400,000 of the general fund--state appropriation for fiscal
30 year 1999 is provided solely to implement Substitute Senate Bill No.
31 6161 (dairy nutrient management). If the bill is not enacted by June
32 30, 1998, the amount provided in this subsection shall lapse.

33 (3) \$300,000 of the general fund--state appropriation for fiscal
34 year 1998 is provided solely for the department to conduct a
35 preconstruction analysis of Pine Hollow, located near the communities
36 of Wiley City and Tampico in Yakima county, regarding its suitability
37 as a site for the construction of a retainment dam and water storage

1 reservoir and the reservoir site's potential to enhance and maintain
2 anadromous fish and other aquatic life and agriculture. The analysis
3 shall include, but is not limited to, a hydrologic and water rights
4 assessment of the Ahtanum Creek watershed to determine water
5 availability to Pine Hollow, an analysis of the geology and hydrology
6 of the site and appropriate dam design and dynamics, its impact on
7 water-related issues, and on Yakama Indian Nation and other water
8 rights. Using amounts appropriated in this section and the associated
9 local match, the department shall conduct portions of its analysis
10 through contracts with private entities and through contracts with, or
11 by providing grant moneys to, the Yakama Indian Nation and other public
12 entities, which may include other state agencies, irrigation districts
13 local to the area, cities, Yakima county, and federal agencies. The
14 department shall consult with stakeholders before conducting this
15 preconstruction analysis. The analysis shall be completed by June 30,
16 1999. The amount provided in this subsection is contingent upon the
17 provision of an equal cash match from the Ahtanum irrigation district,
18 and if such a match is not received the amount provided in this
19 subsection shall lapse.

20 (4) \$200,000 of the general fund--state appropriation for fiscal
21 year 1999 is provided solely to implement Engrossed Substitute Senate
22 Bill No. 5703 (water right beneficial use). If the bill is not enacted
23 by June 30, 1998, the amount provided in this subsection shall lapse.

24 (5) \$24,000 of the general fund--state appropriation for fiscal
25 year 1999, \$18,000 of the general fund--federal appropriation, \$9,000
26 of the water quality permit account appropriation, and \$9,000 of the
27 air pollution control account appropriation are provided solely to
28 implement sections 1, 4, and 11 of Engrossed Second Substitute House
29 Bill No. 2345 (revising administrative law). If sections 1, 4, and 11
30 of the bill are not enacted by June 30, 1998, the amounts provided in
31 this subsection shall lapse.

32 (6) \$196,000 of the general fund--state appropriation for fiscal
33 year 1999 is provided solely to implement Engrossed Second Substitute
34 House Bill No. 2339 (wetlands mitigation banking). If the bill is not
35 enacted by June 30, 1998, the amount provided in this subsection shall
36 lapse.

37 **Sec. 304.** 1997 c 454 s 303 (uncodified) is amended to read as
38 follows:

1	FOR THE STATE PARKS AND RECREATION COMMISSION	
2	General Fund--State Appropriation (FY 1998) . . .	\$ ((20,526,000))
3		<u>20,489,000</u>
4	General Fund--State Appropriation (FY 1999) . . .	\$ ((20,335,000))
5		<u>20,595,000</u>
6	General Fund--Federal Appropriation	\$ ((2,428,000))
7		<u>3,122,000</u>
8	General Fund--Private/Local Appropriation	\$ 59,000
9	Winter Recreation Program Account	
10	Appropriation	\$ ((759,000))
11		<u>779,000</u>
12	Off Road Vehicle Account Appropriation	\$ 251,000
13	Snowmobile Account Appropriation	\$ ((2,290,000))
14		<u>3,260,000</u>
15	Aquatic Lands Enhancement Account Appropriation .	\$ 321,000
16	Public Safety and Education Account	
17	Appropriation	\$ 48,000
18	Industrial Insurance Premium Refund	
19	Appropriation	\$ 10,000
20	Waste Reduction/Recycling/Litter Control	
21	Appropriation	\$ 34,000
22	Water Trail Program Account Appropriation	\$ 14,000
23	Parks Renewal and Stewardship Account	
24	Appropriation	\$ ((25,344,000))
25		<u>25,894,000</u>
26	TOTAL APPROPRIATION	\$ ((72,419,000))
27		<u>74,876,000</u>

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

30 (1) \$189,000 of the aquatic lands enhancement account appropriation
31 is provided solely for the implementation of the Puget Sound work plan
32 agency action items P&RC-01 and P&RC-03.

33 (2) \$264,000 of the general fund--federal appropriation is provided
34 for boater programs state-wide and for implementation of the Puget
35 Sound work plan.

36 (3) \$45,000 of the general fund--state appropriation for fiscal
37 year 1998 is provided solely for a feasibility study of a
38 public/private effort to establish a reserve for recreation and
39 environmental studies in southwest Kitsap county.

1 (4) Within the funds provided in this section, the state parks and
 2 recreation commission shall provide to the legislature a status report
 3 on implementation of the recommendations contained in the 1994 study on
 4 the restructuring of Washington state parks. This status report shall
 5 include an evaluation of the campsite reservation system including the
 6 identification of any incremental changes in revenues associated with
 7 implementation of the system and a progress report on other enterprise
 8 activities being undertaken by the commission. The report may also
 9 include recommendations on other revenue generating options. In
 10 preparing the report, the commission is encouraged to work with
 11 interested parties to develop a long-term strategy to support the park
 12 system. The commission shall provide this report by December 1, 1997.

13 (5) (~~(\$85,000)~~) \$48,000 of the general fund--state appropriation
 14 for fiscal year 1998 and (~~(\$165,000)~~) \$202,000 of the general fund--
 15 state appropriation for fiscal year 1999 are provided solely for
 16 development of underwater park programs and facilities. The department
 17 shall work with the underwater parks program task force to develop
 18 specific plans for the use of these funds.

19 (6) Fees approved by the state parks and recreation commission in
 20 1997 for camping, snow parks, wood debris collection, and Fort Worden
 21 state park are authorized to exceed the fiscal growth factor under RCW
 22 43.135.055.

23 (7) \$20,000 of the winter recreation program account appropriation
 24 and \$20,000 of the snowmobile account appropriation are provided solely
 25 for a grant for the operation of the Northwest avalanche center.

26 **Sec. 305.** 1997 c 149 s 304 (uncodified) is amended to read as
 27 follows:

28 **FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

29	Firearms Range Account Appropriation	\$	46,000
30	<u>Recreation Resources Account--State</u>		
31	Appropriation	\$	2,352,000
32	<u>Recreation Resources Account--Federal</u>		
33	<u>Appropriation</u>	\$	<u>11,000</u>
34	NOVA Program Account Appropriation	\$	590,000
35	TOTAL APPROPRIATION	\$	((2,988,000))
36			<u>2,999,000</u>

37 The appropriations in this section are subject to the following
 38 conditions and limitations: Any proceeds from the sale of the PRISM

1 software system shall be deposited into the recreation resources
2 account.

3 **Sec. 306.** 1997 c 149 s 306 (uncodified) is amended to read as
4 follows:

5 **FOR THE CONSERVATION COMMISSION**

6	General Fund Appropriation (FY 1998)	. . . . .	\$	838,000
7	General Fund Appropriation (FY 1999)	. . . . .	\$	((840,000))
8				<u>3,840,000</u>
9	Water Quality Account Appropriation	. . . . .	\$	440,000
10	TOTAL APPROPRIATION	. . . . .	\$	((2,118,000))
11				<u>5,118,000</u>

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

14 (1) \$181,000 of the general fund appropriation for fiscal year
15 1998, \$181,000 of the general fund appropriation for fiscal year 1999,
16 and \$130,000 of the water quality account appropriation are provided
17 solely for the implementation of the Puget Sound work plan agency
18 action item CC-01.

19 (2) \$1,000,000 of the general fund appropriation for fiscal year
20 1999 is provided solely for grants to conservation districts to provide
21 technical assistance to landowners enrolling in the conservation
22 reserve enhancement program.

23 (3) \$200,000 of the general fund appropriation for fiscal year 1999
24 is provided solely for technical assistance for dairy farmers to
25 implement Substitute Senate Bill No. 6161 (dairy nutrient management).
26 If the bill is not enacted by June 30, 1998, the amount provided in
27 this subsection shall lapse.

28 (4) \$800,000 of the general fund--state appropriation for fiscal
29 year 1999 is provided solely to conduct limiting factor analysis in
30 accordance with sections 7 through 10 of Engrossed Substitute House
31 Bill No. 2496 (salmon recovery planning). If any of these sections of
32 the bill are not enacted by June 30, 1998, the amount provided in this
33 subsection shall lapse. To the extent possible, the commission shall
34 establish partnerships with the federal natural resources conservation
35 service and other entities conducting watershed or limiting factor
36 analysis. Of this amount, \$150,000 is provided for limiting factor
37 analysis in the Snake river evolutionarily significant unit.

1 (5) \$1,000,000 of the general fund--state appropriation for fiscal
 2 year 1999 is provided solely for a contract with a nonprofit entity on
 3 a pilot program basis to develop and implement a volunteer habitat
 4 initiative. The initiative must include: A training program for
 5 volunteers; a public outreach and education program; and a program to
 6 encourage landowners and land managers to use volunteers in salmon
 7 habitat improvement projects.

8 **Sec. 307.** 1997 c 454 s 304 (uncodified) is amended to read as
 9 follows:

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

11	General Fund--State Appropriation (FY 1998)	\$	((36,049,000))
12			<u>35,857,000</u>
13	General Fund--State Appropriation (FY 1999)	\$	((36,571,000))
14			<u>44,998,000</u>
15	General Fund--Federal Appropriation	\$	((73,015,000))
16			<u>75,037,000</u>
17	General Fund--Private/Local Appropriation	\$	((26,758,000))
18			<u>26,983,000</u>
19	Off Road Vehicle Account Appropriation	\$	488,000
20	Aquatic Lands Enhancement Account		
21	Appropriation	\$	5,593,000
22	Public Safety and Education Account		
23	Appropriation	\$	((590,000))
24			<u>586,000</u>
25	Industrial Insurance Premium Refund		
26	Appropriation	\$	120,000
27	Recreational Fisheries Enhancement		
28	Appropriation	\$	2,387,000
29	Warm Water Game Fish Account Appropriation	\$	2,419,000
30	Wildlife Account Appropriation	\$	((52,372,000))
31			<u>44,122,000</u>
32	Game Special Wildlife Account--State		
33	Appropriation	\$	1,911,000
34	Game Special Wildlife Account--Federal		
35	Appropriation	\$	10,844,000
36	Game Special Wildlife Account--Private/Local		
37	Appropriation	\$	350,000
38	Oil Spill Administration Account Appropriation	\$	843,000

1	Environmental Excellence Account Appropriation	\$	20,000
2	Eastern Washington Pheasant Enhancement Account		
3	Appropriation	\$	547,000
4	<u>Regional Fisheries Enhancement--Federal</u>		
5	<u>Appropriation</u>	\$	<u>750,000</u>
6	TOTAL APPROPRIATION	\$	((250,877,000))
7			<u>253,855,000</u>

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

10 (1) \$1,181,000 of the general fund--state appropriation for fiscal
11 year 1998 and \$1,181,000 of the general fund--state appropriation for
12 fiscal year 1999 are provided solely for the implementation of the
13 Puget Sound work plan agency action items DFW-01, DFW-03, DFW-04, and
14 DFW-8 through DFW-15.

15 (2) \$188,000 of the general fund--state appropriation for fiscal
16 year 1998 and \$155,000 of the general fund--state appropriation for
17 fiscal year 1999 are provided solely for a maintenance and inspection
18 program for department-owned dams. The department shall submit a
19 report to the governor and the appropriate legislative committees by
20 October 1, 1998, on the status of department-owned dams. This report
21 shall provide a recommendation, including a cost estimate, on whether
22 each facility should continue to be maintained or should be
23 decommissioned.

24 (3) \$832,000 of the general fund--state appropriation for fiscal
25 year 1998 and \$825,000 of the general fund--state appropriation for
26 fiscal year 1999 are provided solely to implement salmon recovery
27 activities and other actions required to respond to federal listings of
28 salmon species under the endangered species act.

29 (4) \$350,000 of the wildlife account appropriation, \$72,000 of the
30 general fund--state appropriation for fiscal year 1998, and \$73,000 of
31 the general fund--state appropriation for fiscal year 1999 are provided
32 solely for control and eradication of class B designate weeds on
33 department owned and managed lands. The amounts from the general
34 fund--state appropriations are provided solely for control of spartina.

35 (5) \$140,000 of the wildlife account appropriation is provided
36 solely for a cooperative effort with the department of agriculture for
37 research and eradication of purple loosestrife on state lands.

38 (6) In controlling weeds on state-owned lands, the department shall
39 use the most cost-effective methods available, including chemical

1 control where appropriate, and the department shall report to the
2 appropriate committees of the legislature by January 1, 1998, on
3 control methods, costs, and acres treated during the previous year.

4 ~~(7) ((A maximum of \$1,000,000 is provided from the wildlife fund
5 for fiscal year 1998. The amount provided in this subsection is for
6 the emergency feeding of deer and elk that may be starving and that are
7 posing a risk to private property due to severe winter conditions
8 during the winter of 1997-98. The amount expended under this
9 subsection must not exceed the amount raised pursuant to section 3 of
10 Substitute House Bill No. 1478. Of the amount expended under this
11 subsection, not more than fifty percent may be from fee revenue
12 generated pursuant to section 3 of Substitute House Bill No. 1478. If
13 the bill is not enacted by June 30, 1997, the amount provided in this
14 subsection shall lapse.~~

15 ~~(8))~~ \$193,000 of the general fund--state appropriation for fiscal
16 year 1998, \$194,000 of the general fund--state appropriation for fiscal
17 year 1999, and \$300,000 of the wildlife account appropriation are
18 provided solely for the design and development of an automated license
19 system.

20 ~~((+9))~~ (8) The department is directed to offer for sale its Cessna
21 421 aircraft by June 30, 1998. Proceeds from the sale shall be
22 deposited in the wildlife account.

23 ~~((+10))~~ (9) \$500,000 of the general fund--state appropriation for
24 fiscal year 1998 and \$500,000 of the general fund--state appropriation
25 for fiscal year 1999 are provided solely to continue the department's
26 habitat partnerships program during the 1997-99 biennium.

27 ~~((+11))~~ (10) \$350,000 of the general fund--state appropriation for
28 fiscal year 1998 and \$350,000 of the general fund--state appropriation
29 for fiscal year 1999 are provided solely for purchase of monitoring
30 equipment necessary to fully implement mass marking of coho salmon.

31 ~~((+12))~~ (11) \$238,000 of the general fund--state appropriation for
32 fiscal year 1998 and \$219,000 of the general fund--state appropriation
33 for fiscal year 1999 are provided solely for the implementation of
34 Substitute House Bill No. 1985 (landscape management plans). If the
35 bill is not enacted by June 30, 1997, the amounts provided in this
36 subsection shall lapse.

37 ~~((+13))~~ (12) \$150,000 of the general fund--state appropriation for
38 fiscal year 1998 and \$150,000 of the general fund--state appropriation
39 for fiscal year 1999 are provided solely for a contract with the United

1 States department of agriculture to carry out animal damage control
2 projects throughout the state related to cougars, bears, and coyotes.

3 ~~((14))~~ (13) \$97,000 of the general fund--state appropriation for
4 fiscal year 1998 and \$98,000 of the general fund--state appropriation
5 for fiscal year 1999 are provided solely to implement animal damage
6 control programs for Canada geese in the lower Columbia river basin.

7 ~~((15))~~ (14) \$170,000 of the general fund--state appropriation for
8 fiscal year 1998, \$170,000 of the general fund--state appropriation for
9 fiscal year 1999, and \$360,000 of the wildlife account appropriation
10 are provided solely to hire additional enforcement officers to address
11 problem wildlife throughout the state.

12 ~~((17))~~ (15) \$133,000 of the general fund--state appropriation for
13 fiscal year 1998 and \$133,000 of the general fund--state appropriation
14 for fiscal year 1999 are provided solely to implement Substitute Senate
15 Bill No. 5442 (flood control permitting). If the bill is not enacted
16 by June 30, 1997, the amounts provided in this subsection shall lapse.

17 ~~((18))~~ (16) \$100,000 of the aquatic lands enhancement account
18 appropriation is provided solely for grants to the regional fisheries
19 enhancement groups.

20 ~~((19))~~ (17) \$547,000 of the eastern Washington pheasant
21 enhancement account appropriation is provided solely for implementation
22 of Substitute Senate Bill No. 5104 (pheasant enhancement program). If
23 the bill is not enacted by June 30, 1997, the amounts provided in this
24 subsection shall lapse.

25 ~~((20))~~ (18) \$150,000 of the general fund--state appropriation for
26 fiscal year 1998 and \$150,000 of the general fund--state appropriation
27 for fiscal year 1999 are provided solely to hire Washington
28 conservation corps crews to maintain department-owned and managed
29 lands.

30 ~~((21))~~ (19) The entire environmental excellence account
31 appropriation is provided solely for implementation of Engrossed Second
32 Substitute House Bill No. 1866 (environmental excellence). If the bill
33 is not enacted by June 30, 1997, the entire appropriation is null and
34 void.

35 ~~((22))~~ (20) \$156,000 of the recreational fisheries enhancement
36 appropriation is provided solely for Substitute Senate Bill No. 5102
37 (fishing license surcharge). If the bill is not enacted by June 30,
38 1997, the amount provided in this subsection shall lapse.

1 (~~(23)~~) (21) \$25,000 of the general fund--state appropriation for
2 fiscal year 1998 and \$25,000 of the general fund--state appropriation
3 for fiscal year 1999 are provided solely for staffing and operation of
4 the Tennant Lake interpretive center.

5 (22) It is the intent of the legislature that, within the general
6 fund--state appropriations provided in this section, the department
7 shall prioritize its resources to provide expedited assistance to
8 businesses seeking permitting and technical assistance for rural
9 economic development projects.

10 (23) \$750,000 of the regional fisheries enhancement--federal
11 appropriation is provided solely for the regional fisheries enhancement
12 groups. The amount in this section may be spent for project
13 identification, design, permitting, and implementation; volunteer
14 coordination; and administrative costs as approved under RCW 75.50.100
15 and 75.50.115(1)(d). All amounts not committed to approved project,
16 volunteer coordination, or administrative costs by May 31, 1998, shall
17 be made available to any of the regional fisheries enhancement groups
18 that have submitted project approval requests that exceed their
19 available funding from the regional fisheries enhancement group account
20 and the regional fisheries enhancement salmonid recovery account.
21 Redistribution of the moneys shall be based on the criteria established
22 in RCW 75.50.115(1)(e), and shall ensure to the greatest extent
23 possible that the funds are spent during the 1998 in-stream season.

24 (24) \$700,000 of the general fund--state appropriation for fiscal
25 year 1999 is provided solely for grants to habitat restoration lead
26 entities formed in accordance with sections 7 through 10 of Engrossed
27 Substitute House Bill No. 2496 (salmon recovery planning) for
28 administrative activities and development of habitat-restoration
29 project lists. If any of these sections of the bill are not enacted
30 by June 30, 1998, the amounts provided in this subsection shall lapse.
31 Of this amount, \$100,000 is provided as a grant to the regional
32 committee lead entity for administrative activities in the Snake river
33 evolutionarily significant unit.

34 (25) \$50,000 of the general fund--state appropriation for fiscal
35 year 1999 is provided solely for operation of the independent science
36 panel in accordance with section 6 of Engrossed Substitute House Bill
37 No. 2496 (salmon recovery planning). If this section of the bill is
38 not enacted by June 30, 1998, the amount provided in this subsection
39 shall lapse.

1 (26) \$450,000 of the general fund--state appropriation for fiscal
2 year 1999 is provided solely for fish passage technical assistance to
3 local governments, volunteer groups, and regional fisheries enhancement
4 groups in accordance with Engrossed Substitute House Bill No. 2496
5 (salmon recovery planning). The department shall also contract with
6 the department of transportation to train staff at the department of
7 transportation to become proficient in providing fish passage technical
8 assistance. If the bill is not enacted by June 30, 1998, the amount
9 provided in this subsection shall lapse.

10 (27) \$250,000 of the general fund--state appropriation for fiscal
11 year 1999 is provided solely for excessive deer and elk damage claims.

12 (28) \$393,000 of the general fund--state appropriation for fiscal
13 year 1999 is provided solely for the implementation of Substitute
14 Senate Bill No. 6324 (fish remote site incubators). If the bill is not
15 enacted by June 30, 1998, the amount provided in this subsection shall
16 lapse.

17 (29) \$1,000,000 of the general fund--state appropriation for fiscal
18 year 1999, \$400,000 of the general fund--federal appropriation, and
19 \$225,000 of the general fund--local appropriation are provided solely
20 to contract for the mass marking of all appropriate state-wide
21 department chinook salmon hatchery production in accordance with Second
22 Substitute Senate Bill No. 6264 (chinook salmon mass marking). If the
23 bill is not enacted by June 30, 1998, the amount provided in this
24 subsection shall lapse.

25 (30) \$3,500,000 of the general fund--state appropriation for fiscal
26 year 1999 is provided solely for salmon restoration projects funded
27 according to sections 7 through 10 of Second Substitute House Bill No.
28 2496 (salmon recovery planning). Of this amount, \$500,000 is provided
29 solely for a block grant to the conservation districts located in the
30 Snake river evolutionarily significant unit for habitat restoration
31 projects. If any of these sections of the bill are not enacted by June
32 30, 1998, the amounts provided in this subsection shall lapse.

33 (31) \$1,170,000 of the general fund--state appropriation for fiscal
34 year 1999 and \$3,500,000 of the general fund--federal appropriation are
35 provided solely to implement a license buy-back program for commercial
36 fishing licenses.

37 (32) \$5,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$40,000 of the general fund--state appropriation for
39 fiscal year 1999 are provided solely for implementation of Substitute

1 Senate Bill No. 6114 (nonindigenous aquatic species). If the bill is
2 not enacted by June 30, 1998, the amount provided in this subsection
3 shall lapse.

4 (33) \$1,000,000 of the general fund--state appropriation for fiscal
5 year 1999 is provided solely for purchasing computer equipment to
6 support implementation of Second Substitute Senate Bill No. 6330 (fish
7 and wildlife licenses). If the bill is not enacted by June 30, 1998,
8 the amount provided in this subsection shall lapse.

9 (34) \$70,000 of the general fund--state appropriation for fiscal
10 year 1999 is provided solely to implement sections 1, 4, and 11 of
11 Engrossed Second Substitute House Bill No. 2345 (revising
12 administrative law). If sections 1, 4, and 11 of the bill are not
13 enacted by June 30, 1998, the amount provided in this subsection shall
14 lapse.

15 **Sec. 308.** 1997 c 454 s 305 (uncodified) is each amended to read as
16 follows:

17 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

18	General Fund--State Appropriation (FY 1998)	\$	23,767,000
19	General Fund--State Appropriation (FY 1999)	\$	((24,168,000))
20			<u>24,410,000</u>
21	General Fund--Federal Appropriation	\$	1,156,000
22	General Fund--Private/Local Appropriation	\$	422,000
23	Forest Development Account Appropriation	\$	((49,923,000))
24			<u>49,963,000</u>
25	Off Road Vehicle Account Appropriation	\$	3,628,000
26	Surveys and Maps Account Appropriation	\$	2,088,000
27	Aquatic Lands Enhancement Account		
28	Appropriation	\$	4,869,000
29	Resource((s)) Management Cost Account		
30	Appropriation	\$	((89,613,000))
31			<u>89,769,000</u>
32	Waste Reduction/Recycling/Litter Control		
33	Appropriation	\$	450,000
34	Surface Mining Reclamation Account		
35	Appropriation	\$	1,420,000
36	Aquatic Land Dredged Material Disposal Site Account		
37	Appropriation	\$	751,000
38	Natural Resources Conservation Areas Stewardship		

1	Account Appropriation	\$	77,000
2	Air Pollution Control Account Appropriation . . .	\$	890,000
3	Metals Mining Account Appropriation	\$	62,000
4	<u>Natural Resources Equipment Account</u>		
5	<u>Appropriation</u>	\$	<u>750,000</u>
6	TOTAL APPROPRIATION	\$	((203,284,000))
7			<u>204,472,000</u>

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

10 (1) \$7,017,000 of the general fund--state appropriation for fiscal
11 year 1998 and \$6,900,000 of the general fund--state appropriation for
12 fiscal year 1999 are provided solely for emergency fire suppression.

13 (2) \$18,000 of the general fund--state appropriation for fiscal
14 year 1998, \$18,000 of the general fund--state appropriation for fiscal
15 year 1999, and \$957,000 of the aquatic lands enhancement account
16 appropriation are provided solely for the implementation of the Puget
17 Sound work plan agency action items DNR-01, DNR-02, and DNR-04.

18 (3) \$450,000 of the resource management cost account appropriation
19 is provided solely for the control and eradication of class B designate
20 weeds on state lands. The department shall use the most cost-effective
21 methods available, including chemical control where appropriate, and
22 report to the appropriate committees of the legislature by January 1,
23 1998, on control methods, costs, and acres treated during the previous
24 year.

25 (4) \$1,332,000 of the general fund--state appropriation for fiscal
26 year 1998 and \$1,713,000 of the general fund--state appropriation for
27 fiscal year 1999 are provided solely for fire protection activities.

28 (5) \$541,000 of the general fund--state appropriation for fiscal
29 year 1998 and \$549,000 of the general fund--state appropriation for
30 fiscal year 1999 are provided solely for the stewardship of natural
31 area preserves, natural resource conservation areas, and the operation
32 of the natural heritage program.

33 (6) \$2,300,000 of the aquatic lands enhancement account
34 appropriation is provided for the department's portion of the Eagle
35 Harbor settlement.

36 (7) \$195,000 of the general fund--state appropriation for fiscal
37 year 1998 and \$220,000 of the general fund--state appropriation for
38 fiscal year 1999 are provided solely for the implementation of
39 Substitute House Bill No. 1985 (landscape management plans). If the

1 bill is not enacted by June 30, 1997, the amounts provided in this
2 subsection shall lapse.

3 (8) \$600,000 of the general fund--state appropriation for fiscal
4 year 1998 and \$600,000 of the general fund--state appropriation for
5 fiscal year 1999 are provided solely for the cooperative monitoring,
6 evaluation, and research projects related to implementation of the
7 timber-fish-wildlife agreement.

8 (9) \$6,568,000 of the forest development account appropriation is
9 provided solely for silviculture activities on forest board lands. To
10 the extent that forest board counties apply for reconveyance of lands
11 pursuant to Substitute Senate Bill No. 5325 (county land transfers),
12 the amount provided in this subsection shall be reduced by an amount
13 equal to the estimated silvicultural expenditures planned in each
14 county that applies for reconveyance.

15 (10) The entire natural resources equipment account appropriation
16 is provided solely for replacement of equipment and development of
17 infrastructure necessary to meet new federal communications commission
18 regulations.

19 (11) \$75,000 of the general fund--state appropriation for fiscal
20 year 1999, \$35,000 from the resource management cost account
21 appropriation, and \$40,000 from the forest development account
22 appropriation are provided solely to implement sections 1, 4, and 11 of
23 Engrossed Second Substitute House Bill No. 2345 (revising
24 administrative law). If sections 1, 4, and 11 of the bill are not
25 enacted by June 30, 1998, the amounts provided in this subsection shall
26 lapse.

27 (12) \$71,000 of the resource management cost account appropriation
28 is provided solely for a study of the current method for determining
29 water-dependent rents in accordance with Second Substitute Senate Bill
30 No. 6156 (state aquatic lands leases). If the bill is not enacted by
31 June 30, 1998, the amount provided in this subsection shall lapse.

32 (13) \$117,000 of the general fund--state appropriation for fiscal
33 year 1999 is provided solely for a geographic information systems
34 inventory of Washington sand, gravel, and construction rock resources.

35 (14) \$50,000 of the resource management cost account appropriation
36 is provided solely for a field study of biological control methods for
37 eradication of spartina.

38 (15) \$50,000 of the general fund--state appropriation for fiscal
39 year 1999 is provided solely for a study of potential finfish net-pen

1 aquaculture sites in the Strait of Juan de Fuca and along the Pacific
2 coast.

3 **Sec. 309.** 1997 c 149 s 309 (uncodified) is each amended to read as
4 follows:

5 **FOR THE DEPARTMENT OF AGRICULTURE**

6	General Fund--State Appropriation (FY 1998) . . . \$	((7,596,000))
7		<u>7,605,000</u>
8	General Fund--State Appropriation (FY 1999) . . . \$	((7,008,000))
9		<u>8,285,000</u>
10	General Fund--Federal Appropriation \$	((4,716,000))
11		<u>5,077,000</u>
12	General Fund--Private/Local Appropriation \$	405,000
13	Aquatic Lands Enhancement Account	
14	Appropriation \$	806,000
15	Industrial Insurance Premium Refund	
16	Appropriation \$	184,000
17	State Toxics Control Account Appropriation . . . \$	1,338,000
18	<u>Local Toxics Control Account Appropriation</u> . . . \$	<u>258,000</u>
19	TOTAL APPROPRIATION \$	((22,053,000))
20		<u>23,958,000</u>

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

23 (1) \$35,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$36,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely for technical assistance on
26 pesticide management including the implementation of the Puget Sound
27 work plan agency action item DOA-01.

28 (2) \$461,000 of the general fund--state appropriation for fiscal
29 year 1998, \$421,000 of the general fund--state appropriation for fiscal
30 year 1999, and ((\$361,000)) \$722,000 of the general fund--federal
31 appropriation are provided solely to monitor and eradicate the Asian
32 gypsy moth.

33 (3) \$138,000 of the general fund--state appropriation for fiscal
34 year 1998 and \$138,000 of the general fund--state appropriation for
35 fiscal year 1999 are provided solely for two additional staff positions
36 in the plant protection program.

37 (4) \$12,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$13,000 of the general fund--state appropriation for

1 fiscal year 1999 are provided solely for the implementation of
2 Substitute Senate Bill No. 5077 (integrated pest management). If the
3 bill is not enacted by June 30, 1997, the amount provided in this
4 subsection shall lapse.

5 (5) \$258,000 of the local toxics control account appropriation is
6 provided solely to implement Senate Bill No. 6474 (fertilizer
7 regulation). The amount provided in this subsection shall be used to
8 conduct a comprehensive study of plant uptake of metals and to
9 implement new fertilizer registration requirements. If the bill is not
10 enacted by June 30, 1998, the amount provided in this subsection shall
11 lapse.

12 (6) \$50,000 of the general fund--state appropriation for fiscal
13 year 1999 is provided solely to implement section 11 of Engrossed
14 Second Substitute House Bill No. 2345 (revising administrative law).
15 If section 11 of the bill is not enacted by June 30, 1998, the amount
16 provided in this subsection shall lapse.

17 (7) \$95,000 of the general fund--state appropriation for fiscal
18 year 1999 is provided solely for deposit into the livestock
19 identification account to implement sections 2 and 98 of Engrossed
20 Substitute Senate Bill No. 6204 (livestock identification). If either
21 of these sections of the bill is not enacted by June 30, 1998, the
22 amount provided in this subsection shall lapse.

23 **Sec. 310.** 1997 c 149 s 310 (uncodified) is each amended to read as
24 follows:

25 **FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM**

26 Pollution Liability Insurance Program Trust Account

27 Appropriation \$ ((909,000))
28 1,009,000

29 (End of part)

PART IV
TRANSPORTATION

Sec. 401. 1997 c 149 s 401 (uncodified) is each amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund Appropriation (FY 1998)	\$	((4,536,000))
		<u>4,686,000</u>
General Fund Appropriation (FY 1999)	\$	((4,409,000))
		<u>4,717,000</u>
Architects' License Account Appropriation	\$	((857,000))
		<u>829,000</u>
Cemetery Account Appropriation	\$	((188,000))
		<u>197,000</u>
Professional Engineers' Account Appropriation	\$	((2,674,000))
		<u>2,700,000</u>
Real Estate Commission Account Appropriation	\$	((6,708,000))
		<u>7,062,000</u>
Master License Account Appropriation	\$	((6,998,000))
		<u>6,963,000</u>
Uniform Commercial Code Account Appropriation	\$	((4,291,000))
		<u>3,521,000</u>
Real Estate Education Account Appropriation	\$	606,000
Funeral Directors And Embalmers Account		
Appropriation	\$	((409,000))
		<u>418,000</u>
TOTAL APPROPRIATION	\$	((31,676,000))
		<u>31,699,000</u>

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

(1) \$21,000 of the general fund fiscal year 1998 appropriation and \$22,000 of the general fund fiscal year 1999 appropriation are provided solely to implement House Bill No. 1827 or Senate Bill No. 5754 (boxing, martial arts, wrestling). If neither bill is enacted by June 30, 1997, the amounts provided in this subsection shall lapse.

(2) \$40,000 of the master license account appropriation is provided solely to implement Substitute Senate Bill No. 5483 (whitewater river

1 outfitters). If the bill is not enacted by June 30, 1997, the amount
2 provided in this subsection shall lapse.

3 (3) \$229,000 of the general fund fiscal year 1998 appropriation and
4 \$195,000 of the general fund fiscal year 1999 appropriation are
5 provided solely for the implementation of Senate Bill No. 5997
6 (cosmetology inspections). If the bill is not enacted by June 30,
7 1997, the amount provided in this subsection shall lapse.

8 (4) \$31,000 of the general fund fiscal year 1998 appropriation,
9 \$1,000 of the general fund fiscal 1999 appropriation, \$7,000 of the
10 architects' license account appropriation, \$18,000 of the professional
11 engineers' account appropriation, \$14,000 of the real estate commission
12 account appropriation, \$40,000 of the master license account
13 appropriation, and \$3,000 of the funeral directors and embalmers
14 account appropriation are provided solely for the implementation of
15 Engrossed House Bill No. 3901 (implementing welfare reform). If the
16 bill is not enacted by June 30, 1997, the amounts provided in this
17 subsection shall lapse.

18 (5) \$17,000 of the professional engineers' account appropriation is
19 provided solely to implement Senate Bill No. 5266 (engineers/land
20 surveyors). If the bill is not enacted by June 30, 1997, the amount
21 provided in this subsection shall lapse.

22 (6) \$110,000 of the general fund fiscal year 1998 appropriation is
23 provided solely to implement Senate Bill No. 5998 (cosmetology advisory
24 board). If the bill is not enacted by June 30, 1997, the amount
25 provided in this subsection shall lapse.

26 ~~(7) ((\$74,000 of the uniform commercial code account appropriation~~
27 ~~is provided solely to implement Engrossed Senate Bill No. 5163 (UCC~~
28 ~~filing). If the bill is not enacted by June 30, 1997, the amount~~
29 ~~provided in this subsection shall lapse.~~

30 ~~(8))~~ \$11,000 of the general fund fiscal year 1998 appropriation
31 and \$2,000 of the general fund fiscal year 1999 appropriation are
32 provided solely to implement Substitute House Bill No. 1748 or
33 Substitute Senate Bill No. 5513 (vessel registration). If neither bill
34 is enacted by June 30, 1997, the amount provided in this subsection
35 shall lapse.

36 (8)(a) Pursuant to RCW 43.135.055, during the 1997-99 fiscal
37 biennium, the department may increase fees in excess of the fiscal
38 growth factor in the appraisers and camp resorts programs; however,
39 such increases shall not exceed an annual increase of eight percent.

1 (b) Pursuant to RCW 43.135.055, during the 1997-99 fiscal biennium,
2 the department may increase fees in excess of the fiscal growth factor
3 in the professional athletics, employment agencies, and security guards
4 programs to the extent necessary to defray the costs of the
5 administration of these programs as set forth in RCW 43.24.086.

6 (c) Before raising fees in excess of the fiscal growth factor
7 pursuant to this subsection, the department shall notify the chairs and
8 ranking minority members of the appropriate fiscal committees of the
9 legislature.

10 (9) Within the amounts provided in this section, the department
11 shall provide information detailing each specific component of the
12 overhead costs allocated to each program within the business and
13 professions division. The department shall establish procedures to
14 allow each program within the business and professions division to
15 review and modify its business processes in order to reduce
16 administrative costs. The department of licensing shall provide a
17 report to the fiscal committees of the legislature by October 1, 1998,
18 detailing the specific procedures established pursuant to the
19 requirements of this subsection.

20 (10) \$110,000 of the general fund fiscal year 1999 appropriation is
21 provided solely for the implementation of the Substitute Senate Bill
22 No. 6507 (cosmetology advisory board). If the bill is not enacted by
23 June 30, 1998, the amount provided in this subsection shall lapse.

24 (11) \$75,000 of the general fund fiscal year 1999 appropriation is
25 provided solely for costs associated with fully implementing chapter
26 178, Laws of 1997 (cosmetology inspections).

27 **Sec. 402.** 1997 c 149 s 402 (uncodified) is each amended to read as
28 follows:

29 **FOR THE STATE PATROL**

30	General Fund--State Appropriation (FY 1998) . . . \$	((7,712,000))
31		8,312,000
32	General Fund--State Appropriation (FY 1999) . . . \$	((7,850,000))
33		21,791,000
34	General Fund--Federal Appropriation \$	((3,990,000))
35		5,784,000
36	General Fund--Private/Local Appropriation \$	341,000
37	Public Safety and Education Account	
38	Appropriation \$	((4,652,000))

1		<u>4,483,000</u>
2	County Criminal Justice Assistance Account	
3	Appropriation	\$ 3,905,000
4	Municipal Criminal Justice Assistance Account	
5	Appropriation	\$ 1,573,000
6	Fire Service Trust Account Appropriation	\$ 92,000
7	Fire Service Training Account Appropriation	\$ ((1,762,000))
8		<u>2,295,000</u>
9	State Toxics Control Account Appropriation	\$ 439,000
10	Violence Reduction and Drug Enforcement Account	
11	Appropriation	\$ ((310,000))
12		<u>570,000</u>
13	Fingerprint Identification Account	
14	Appropriation	\$ ((3,082,000))
15		<u>3,220,000</u>
16	TOTAL APPROPRIATION	\$ ((35,708,000))
17		<u>52,805,000</u>

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

20 (1) \$254,000 of the fingerprint identification account
21 appropriation is provided solely for an automated system that will
22 facilitate the access of criminal history records remotely by computer
23 or telephone for preemployment background checks and other non-law
24 enforcement purposes. The agency shall submit an implementation status
25 report to the office of financial management and the legislature by
26 September 1, 1997.

27 (2) \$264,000 of the general fund--federal appropriation is provided
28 solely for a feasibility study to develop a criminal investigation
29 computer system. The study will report on the feasibility of
30 developing a system that uses incident-based reporting as its
31 foundation, consistent with FBI standards. The system will have the
32 capability of connecting with local law enforcement jurisdictions as
33 well as fire protection agencies conducting arson investigations. The
34 study will report on the system requirements for incorporating case
35 management, intelligence data, imaging, and geographic information.
36 The system will also provide links to existing crime information
37 databases such as WASIS and WACIC. The agency shall submit a copy of
38 the proposed study workplan to the office of financial management and
39 the department of information services for approval prior to

1 expenditure. A final report shall be submitted to the appropriate
2 committees of the legislature, the office of financial management, and
3 the department of information services no later than June 30, 1998.

4 (3) Pursuant to chapter 43.135 RCW, during the 1997-99 fiscal
5 biennium, the Washington state patrol is authorized to raise existing
6 fees charged for background fingerprint checks on current and potential
7 school district and educational service district employees by six
8 dollars.

9 (4) \$166,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$499,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided solely as state matching funds required
12 to complete changes to the WACIC and WASIS systems.

13 (5) To address year 2000 concerns about the automated fingerprint
14 identification system (AFIS), the Washington state patrol may contract
15 with an intergovernmental consortium for the use of a year 2000
16 compatible AFIS system. Under this approach, the state patrol would
17 begin paying a monthly usage fee starting in fiscal year 2000.

18 (6) \$58,000 of the general fund--state appropriation for fiscal
19 year 1999 is provided solely to implement House Bill No. 1172 (sex
20 offender registration). If the bill is not enacted by June 30, 1998,
21 the amount provided in this subsection shall lapse.

22 (End of part)

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PART V
EDUCATION

NEW SECTION. **Sec. 501.** A new section is added to 1997 c 149 (uncodified) to read as follows:

FOR A STUDY OF K-12 FINANCE. A study of the system of finance of the Washington common schools shall be conducted by the joint legislative audit and review committee subject to the following conditions and limitations:

(1) The study shall address:

(a) The revenue and expenditure practices of local school districts. To the extent data is available, the study shall identify patterns of resource allocations to selected districts, buildings, and classrooms. The study shall document the extent to which meaningful analysis of resource allocations is limited by data currently available and shall identify means necessary to obtain information necessary to analyze the efficiency and effectiveness of common school expenditures. The study shall also seek to identify districts that have financial data available in a form that facilitates understanding by persons without specialized expertise in public finance.

(b) The ratio of students to teachers and other personnel in selected districts, buildings, and classrooms. To the extent data is obtainable, class-size shall include analysis of the use of certificated and noncertificated classroom instructors and assistants, the education and experience of instructional staff, the composition of students in classrooms by status including students who qualify for special education, learning assistance, bilingual education, gifted education, free and reduced-price lunch and other characteristics, including educational outcomes relevant to understanding the nature of class-size and the nature of students and teachers in those classes.

(2) The final report shall be presented no later than June 30, 1999. Before the final report is presented, an interim briefing shall be presented to the fiscal committees of the legislature for review and comment.

(3) Funds appropriated to the joint legislative audit and review committee for the study specified in this section may be used for consulting services as deemed necessary, including, but not limited to,

1 review of studies of a similar nature and consultation with experts in
2 the field of public school finance on the feasibility and best
3 approaches to a state fiscal study with the objectives specified in
4 this section.

5 **Sec. 502.** 1997 c 454 s 501 (uncodified) is each amended to read as
6 follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STATE ADMINISTRATION**

8	General Fund--State Appropriation (FY 1998) . . . \$	((20,758,000))
9		<u>20,423,000</u>
10	General Fund--State Appropriation (FY 1999) . . . \$	((40,775,000))
11		<u>58,171,000</u>
12	General Fund--Federal Appropriation \$	49,439,000
13	Public Safety and Education Account	
14	Appropriation \$	2,598,000
15	Violence Reduction and Drug Enforcement Account	
16	Appropriation \$	3,672,000
17	Education Savings Account Appropriation \$	39,312,000
18	TOTAL APPROPRIATION \$	((156,554,000))
19		<u>173,615,000</u>

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

22 (1) AGENCY OPERATIONS

23 (a) \$394,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$394,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely for the operation and expenses of
26 the state board of education, including basic education assistance
27 activities.

28 (b)(i) \$250,000 of the general fund--state appropriation for fiscal
29 year 1998 and \$250,000 of the general fund--state appropriation for
30 fiscal year 1999 are provided solely for enhancing computer systems and
31 support in the office of superintendent of public instruction. These
32 amounts shall be used to: Make a database of school information
33 available electronically to schools, state government, and the general
34 public; reduce agency and school district administrative costs through
35 more effective use of technology; and replace paper reporting and
36 publication to the extent feasible with electronic media. The
37 superintendent, in cooperation with the commission on student learning,

1 shall develop a state student record system including elements
2 reflecting student achievement. The system shall be made available to
3 the office of financial management and the legislature with suitable
4 safeguards of student confidentiality. The superintendent shall report
5 to the office of financial management and the legislative fiscal
6 committees by December 1 of each year of the biennium on the progress
7 and plans for the expenditure of these amounts.

8 (ii) The superintendent, in cooperation with the commission on
9 student learning, shall develop a feasibility plan for a state student
10 record system, including elements reflecting student academic
11 achievement on goals 1 and 2 under RCW 28A.150.210. The feasibility
12 plan shall be made available to the office of financial management and
13 the fiscal and education committees of the legislature for approval
14 before a student records database is established, and shall identify
15 data elements to be collected and suitable safeguards of student
16 confidentiality and proper use of database records, with particular
17 attention to eliminating unnecessary and intrusive data about
18 nonacademic related information.

19 (c) \$348,000 of the public safety and education account
20 appropriation is provided solely for administration of the traffic
21 safety education program, including in-service training related to
22 instruction in the risks of driving while under the influence of
23 alcohol and other drugs.

24 (d) \$50,000 of the general fund--state appropriation for fiscal
25 year 1998 and \$50,000 of the general fund--state appropriation for
26 fiscal year 1999 are provided solely to implement Substitute Senate
27 Bill No. 5394 (school audit resolutions).

28 (e) The superintendent shall conduct a study and make
29 recommendations to the 1999 legislature regarding a definition of and
30 standards for skills centers. The standards shall be related to the
31 cost differential of skills centers as compared to secondary vocational
32 education allocations provided in the appropriations act and other
33 relevant factors. The study shall also address proposals for new
34 skills centers known as of August 31, 1998, and compare and analyze,
35 insofar as possible, the proposals with the recommended standards. The
36 study shall be submitted to the governor and the appropriate committees
37 of the legislature by November 25, 1998.

38 (f) The superintendent shall prepare a study which compares the
39 state's administrative and statutory requirements to provide special

1 education with the requirements of federal law. A preliminary report
2 shall be provided to the policy and fiscal committees of the
3 legislature by October 15, 1998, and a final report shall be provided
4 by December 15, 1998.

5 (2) STATE-WIDE PROGRAMS

6 (a) \$2,174,000 of the general fund--state appropriation is provided
7 for in-service training and educational programs conducted by the
8 Pacific Science Center.

9 (b) \$63,000 of the general fund--state appropriation is provided
10 for operation of the Cispus environmental learning center.

11 (c) \$2,754,000 of the general fund--state appropriation is provided
12 for educational centers, including state support activities. \$100,000
13 of this amount is provided to help stabilize funding through
14 distribution among existing education centers that are currently funded
15 by the state at an amount less than \$100,000 a biennium.

16 (d) \$100,000 of the general fund--state appropriation is provided
17 for an organization in southwest Washington that received funding from
18 the Spokane educational center in the 1995-97 biennium and provides
19 educational services to students who have dropped out.

20 (e) (~~(\$2,500,000)~~) \$2,148,000 of the general fund--state fiscal
21 year 1998 appropriation and (~~(\$2,500,000)~~) \$2,151,000 of the general
22 fund--state fiscal year 1999 appropriation are provided solely for
23 implementation of reading initiatives to improve reading in early
24 grades as enacted by the 1997 legislature. Of this amount(~~(i)~~),
25 \$4,300,000 is provided solely to implement Engrossed Substitute House
26 Bill No. 2042. Funds shall be used solely for the selection and
27 purchase of the second grade reading tests in accordance with section
28 2 of the bill, scoring costs associated with the administration of the
29 tests in the 1998-99 school year in accordance with section 5 of the
30 bill, and grants to school districts in accordance with sections 4 and
31 7 of the bill.

32 (f) \$3,672,000 of the violence reduction and drug enforcement
33 account appropriation and \$2,250,000 of the public safety education
34 account appropriation are provided solely for matching grants to
35 enhance security in schools. Not more than seventy-five percent of a
36 district's total expenditures for school security in any school year
37 may be paid from a grant under this subsection. The grants shall be
38 expended solely for the costs of employing or contracting for building
39 security monitors in schools during school hours and school events. Of

1 the amount provided in this subsection, at least \$2,850,000 shall be
2 spent for grants to districts that, during the 1988-89 school year,
3 employed or contracted for security monitors in schools during school
4 hours. However, these grants may be used only for increases in school
5 district expenditures for school security over expenditure levels for
6 the 1988-89 school year.

7 (g) \$200,000 of the general fund--state appropriation for fiscal
8 year 1998, \$200,000 of the general fund--state appropriation for fiscal
9 year 1999, and \$400,000 of the general fund--federal appropriation
10 transferred from the department of health are provided solely for a
11 program that provides grants to school districts for media campaigns
12 promoting sexual abstinence and addressing the importance of delaying
13 sexual activity, pregnancy, and childbearing until individuals are
14 ready to nurture and support their children. Grants to the school
15 districts shall be for projects that are substantially designed and
16 produced by students. The grants shall require a local private sector
17 match equal to one-half of the state grant, which may include in-kind
18 contribution of technical or other assistance from consultants or firms
19 involved in public relations, advertising broadcasting, and graphics or
20 video production or other related fields.

21 (h) \$1,500,000 of the general fund--state appropriation for fiscal
22 year 1998 and \$1,500,000 of the general fund--state appropriation for
23 fiscal year 1999 are provided solely for school district petitions to
24 juvenile court for truant students as provided in RCW 28A.225.030 and
25 28A.225.035. Allocation of this money to school districts shall be
26 based on the number of petitions filed.

27 (i) \$300,000 of the general fund--state appropriation is provided
28 for alcohol and drug prevention programs pursuant to RCW 66.08.180.

29 (j)(i) \$19,656,000 of the education savings account appropriation
30 for fiscal year 1998 and \$19,656,000 of the education savings account
31 appropriation for fiscal year 1999 are provided solely for matching
32 grants and related state activities to provide school district
33 consortia with programs utilizing technology to improve learning. A
34 maximum of (~~(\$100,000)~~) \$150,000 each fiscal year of this amount is
35 provided for administrative support and oversight of the K-20 network
36 by the superintendent of public instruction. The superintendent of
37 public instruction shall convene a technology grants committee
38 representing private sector technology, school districts, and
39 educational service districts to recommend to the superintendent grant

1 proposals that have the best plans for improving student learning
2 through innovative curriculum using technology as a learning tool and
3 evaluating the effectiveness of the curriculum innovations. After
4 considering the technology grants committee recommendations, the
5 superintendent shall make matching grant awards, including granting at
6 least fifteen percent of funds on the basis of criteria in (ii)(A)
7 through (C) of this subsection (2)(j).

8 (ii) Priority for award of funds will be to (A) school districts
9 most in need of assistance due to financial limits, (B) school
10 districts least prepared to take advantage of technology as a means of
11 improving student learning, and (C) school districts in economically
12 distressed areas. The superintendent of public instruction, in
13 consultation with the technology grants committee, shall propose
14 options to the committee for identifying and prioritizing districts
15 according to criteria in (i) and (ii) of this subsection (2)(j).

16 (iii) Options for review criteria to be considered by the
17 superintendent of public instruction include, but are not limited to,
18 free and reduced lunches, levy revenues, ending fund balances,
19 equipment inventories, and surveys of technology preparedness. An
20 "economically distressed area" is (A) a county with an unemployment
21 rate that is at least twenty percent above the state-wide average for
22 the previous three years; (B) a county that has experienced sudden and
23 severe or long-term and severe loss of employment, or erosion of its
24 economic base resulting in decline of its dominant industries; or (C)
25 a district within a county which (I) has at least seventy percent of
26 its families and unrelated individuals with incomes below eighty
27 percent of the county's median income for families and unrelated
28 individuals; and (II) has an unemployment rate which is at least forty
29 percent higher than the county's unemployment rate.

30 (k) \$50,000 of the general fund--state appropriations is provided
31 as matching funds for district contributions to provide analysis of the
32 efficiency of school district business practices. The superintendent
33 of public instruction shall establish criteria, make awards, and
34 provide a report to the fiscal committees of the legislature by
35 December 15, 1997, on the progress and details of analysis funded under
36 this subsection (2)(k).

37 (l) (~~(\$19,977,000)~~) \$19,797,000 of the general fund--state
38 appropriation for fiscal year 1999 is provided solely for the purchase
39 of classroom instructional materials and supplies. The superintendent

1 shall allocate the funds at a maximum rate of \$20.82 per full-time
2 equivalent student, beginning September 1, 1998, and ending June 30,
3 1999. The expenditure of the funds shall be determined at each school
4 site by the (~~school building staff, parents, and the community~~)
5 individual teacher. School districts shall distribute all funds
6 received to school buildings without deduction.

7 (m) \$15,000 of the general fund--state appropriation is provided
8 solely to assist local districts vocational education programs in
9 applying for low frequency FM radio licenses with the federal
10 communications commission.

11 (n) \$35,000 of the general fund--state appropriation is provided
12 solely to the state board of education to design a program to encourage
13 high school students and other adults to pursue careers as vocational
14 education teachers in the subject matter of agriculture.

15 (o) \$25,000 of the general fund--state appropriation for fiscal
16 year 1998 and \$25,000 of the general fund--state appropriation for
17 fiscal year 1999 are provided solely for allocation to the primary
18 coordinators of the state geographic alliance to improve the teaching
19 of geography in schools.

20 (p) \$1,000,000 of the general fund--state appropriation is provided
21 for state administrative costs and start-up grants for alternative
22 programs and services that improve instruction and learning for at-risk
23 and expelled students consistent with the objectives of Engrossed House
24 Bill No. 1581 (disruptive students/offenders). Each grant application
25 shall contain proposed performance indicators and an evaluation plan to
26 measure the success of the program and its impact on improved student
27 learning. Applications shall contain the applicant's plan for
28 maintaining the program and/or services after the grant period, shall
29 address the needs of students who cannot be accommodated within the
30 framework of existing school programs or services and shall address how
31 the applicant will serve any student within the proposed program's
32 target age range regardless of the reason for truancy, suspension,
33 expulsion, or other disciplinary action. Up to \$50,000 per year may be
34 used by the superintendent of public instruction for grant
35 administration. The superintendent shall submit an evaluation of the
36 alternative program start-up grants provided under this section, and
37 section 501(2)(q), chapter 283, Laws of 1996, to the fiscal and
38 education committees of the legislature by November 15, 1998. Grants

1 shall be awarded to applicants showing the greatest potential for
2 improved student learning for at-risk students including:

3 (i) Students who have been suspended, expelled, or are subject to
4 other disciplinary actions;

5 (ii) Students with unexcused absences who need intervention from
6 community truancy boards or family support programs;

7 (iii) Students who have left school; and

8 (iv) Students involved with the court system.

9 The office of the superintendent of public instruction shall
10 prepare a report describing student recruitment, program offerings,
11 staffing practices, and available indicators of program effectiveness
12 of alternative education programs funded with state and, to the extent
13 information is available, local funds. The report shall contain a plan
14 for conducting an evaluation of the educational effectiveness of
15 alternative education programs.

16 (q) \$1,600,000 of the general fund--state appropriation is provided
17 for grants for magnet schools to be distributed as recommended by the
18 superintendent of public instruction pursuant to chapter 232, section
19 516(13), Laws of 1992.

20 (r) \$4,300,000 of the general fund--state appropriation is provided
21 for complex need grants. Grants shall be provided according to amounts
22 shown in LEAP Document 30C as developed on April 27, 1997, at 03:00
23 hours.

24 (s) \$17,000,000 of the general fund--state appropriation for fiscal
25 year 1999 is provided solely to implement Engrossed Second Substitute
26 Senate Bill No. 6509 (successful readers act). Of this amount,
27 \$9,000,000 is provided solely for beginning reading instructional
28 programs pursuant to section 2(1) of the bill and \$8,000,000 is
29 provided solely for volunteer tutor and mentor programs pursuant to
30 section 2(2) of the bill. The superintendent shall notify districts of
31 the availability of the funds by April 15th, 1998, and shall include in
32 the notification limitations on rates for stipends and other cost
33 factors. Stipends authorized under section 2(5) of the bill shall not
34 exceed five days per program at a rate not to exceed \$222 per five-hour
35 day, including fringe benefits. The superintendent shall establish
36 allocation guidelines for other cost factors associated with providing
37 the programs. If the bill is not enacted by June 30, 1998, the amounts
38 provided in this subsection shall lapse.

1 (t) \$15,000 of the general fund--state appropriation for fiscal
2 year 1998 and \$100,000 of the general fund--state appropriation for
3 fiscal year 1999 are provided solely for a study and recommendations
4 related to education of offenders prosecuted as adults in accordance
5 with Engrossed Substitute Senate Bill No. 6600 (correctional facilities
6 education program). If the bill is not enacted by June 30, 1998, the
7 amount provided in this subsection shall lapse.

8 (u) \$375,000 of the general fund--state appropriation for fiscal
9 year 1999 is provided solely for increased costs of providing a norm-
10 referenced test to all third grade students and retests of certain
11 third grade students and other costs in accordance with Second
12 Substitute House Bill No. 2849 (student achievement). If the bill is
13 not enacted by June 30, 1998, the amount provided in this subsection
14 shall lapse.

15 (v) \$50,000 of the general fund--state appropriation for fiscal
16 year 1999 is provided solely for development and operation of a skills
17 center in Port Angeles, contingent on meeting the standard for
18 qualifying for skills center funding as developed by the superintendent
19 of public instruction in subsection (1)(e) of this section.

20 (w) \$400,000 of the fiscal year 1999 general fund--state
21 appropriation is provided solely for matching funds to improve the
22 fiscal and student data capabilities of the Washington school
23 information processing cooperative. The funds shall be allocated only
24 if at least 267 school districts remain members of the cooperative for
25 the 1998-99 school year.

26 **Sec. 503.** 1997 c 149 s 502 (uncodified) is each amended to read as
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT**
29 **(BASIC EDUCATION)**

30	General Fund Appropriation (FY 1998)	. . . . .	\$ ((3,429,727,000))
31			<u>3,405,645,000</u>
32	General Fund Appropriation (FY 1999)	. . . . .	\$ ((3,511,157,000))
33			<u>3,473,603,000</u>
34	TOTAL APPROPRIATION	. . . . .	\$ ((6,940,884,000))
35			<u>6,879,248,000</u>

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

1 (1) The appropriation for fiscal year 1998 includes such funds as
2 are necessary for the remaining months of the 1996-97 school year.

3 (2) Allocations for certificated staff salaries for the 1997-98 and
4 1998-99 school years shall be determined using formula-generated staff
5 units calculated pursuant to this subsection. Staff allocations for
6 small school enrollments in (d) through (f) of this subsection shall be
7 reduced for vocational full-time equivalent enrollments. Staff
8 allocations for small school enrollments in grades K-6 shall be the
9 greater of that generated under (a) of this subsection, or under (d)
10 and (e) of this subsection. Certificated staffing allocations shall be
11 as follows:

12 (a) On the basis of each 1,000 average annual full-time equivalent
13 enrollments, excluding full-time equivalent enrollment otherwise
14 recognized for certificated staff unit allocations under (c) through
15 (f) of this subsection:

16 (i) Four certificated administrative staff units per thousand full-
17 time equivalent students in grades K-12;

18 (ii) 49 certificated instructional staff units per thousand full-
19 time equivalent students in grades K-3;

20 (iii) An additional 5.3 certificated instructional staff units for
21 grades K-3. Any funds allocated for these additional certificated
22 units shall not be considered as basic education funding;

23 (A) Funds provided under this subsection (2)(a)(iii) in excess of
24 the amount required to maintain the statutory minimum ratio established
25 under RCW 28A.150.260(2)(b) shall be allocated only if the district
26 documents an actual ratio equal to or greater than 54.3 certificated
27 instructional staff per thousand full-time equivalent students in
28 grades K-3. For any school district documenting a lower certificated
29 instructional staff ratio, the allocation shall be based on the
30 district's actual grades K-3 certificated instructional staff ratio
31 achieved in that school year, or the statutory minimum ratio
32 established under RCW 28A.150.260(2)(b), if greater;

33 (B) Districts at or above 51.0 certificated instructional staff per
34 one thousand full-time equivalent students in grades K-3 may dedicate
35 up to 1.3 of the 54.3 funding ratio to employ additional classified
36 instructional assistants assigned to basic education classrooms in
37 grades K-3. For purposes of documenting a district's staff ratio under
38 this section, funds used by the district to employ additional
39 classified instructional assistants shall be converted to a

1 certificated staff equivalent and added to the district's actual
2 certificated instructional staff ratio. Additional classified
3 instructional assistants, for the purposes of this subsection, shall be
4 determined using the 1989-90 school year as the base year;

5 (C) Any district maintaining a ratio equal to or greater than 54.3
6 certificated instructional staff per thousand full-time equivalent
7 students in grades K-3 may use allocations generated under this
8 subsection (2)(a)(iii) in excess of that required to maintain the
9 minimum ratio established under RCW 28A.150.260(2)(b) to employ
10 additional basic education certificated instructional staff or
11 classified instructional assistants in grades 4-6. Funds allocated
12 under this subsection (2)(a)(iii) shall only be expended to reduce
13 class size in grades K-6. No more than 1.3 of the certificated
14 instructional funding ratio amount may be expended for provision of
15 classified instructional assistants; and

16 (iv) Forty-six certificated instructional staff units per thousand
17 full-time equivalent students in grades 4-12;

18 (b) For school districts with a minimum enrollment of 250 full-time
19 equivalent students whose full-time equivalent student enrollment count
20 in a given month exceeds the first of the month full-time equivalent
21 enrollment count by 5 percent, an additional state allocation of 110
22 percent of the share that such increased enrollment would have
23 generated had such additional full-time equivalent students been
24 included in the normal enrollment count for that particular month;

25 (c) On the basis of full-time equivalent enrollment in:

26 (i) Vocational education programs approved by the superintendent of
27 public instruction, a maximum of 0.92 certificated instructional staff
28 units and 0.08 certificated administrative staff units for each 18.3
29 full-time equivalent vocational students for the 1997-98 school year
30 and for each 19.5 full-time equivalent vocational students in the 1998-
31 99 school year. Beginning with the 1998-99 school year, districts
32 documenting staffing ratios of less than 1 certificated staff per
33 ((18.3)) 19.5 students shall be allocated the greater of the total
34 ratio in subsections (2)(a)(i) and (iv) of this section or the actual
35 documented ratio;

36 (ii) Skills center programs approved by the superintendent of
37 public instruction for skills centers approved prior to September 1,
38 1997, 0.92 certificated instructional staff units and 0.08 certificated

1 administrative units for each 16.67 full-time equivalent vocational
2 students;

3 (iii) Indirect cost charges, as defined by the superintendent of
4 public instruction, to vocational-secondary programs shall not exceed
5 10 percent; and

6 (iv) Vocational full-time equivalent enrollment shall be reported
7 on the same monthly basis as the enrollment for students eligible for
8 basic support, and payments shall be adjusted for reported vocational
9 enrollments on the same monthly basis as those adjustments for
10 enrollment for students eligible for basic support.

11 (d) For districts enrolling not more than twenty-five average
12 annual full-time equivalent students in grades K-8, and for small
13 school plants within any school district which have been judged to be
14 remote and necessary by the state board of education and enroll not
15 more than twenty-five average annual full-time equivalent students in
16 grades K-8:

17 (i) For those enrolling no students in grades 7 and 8, 1.76
18 certificated instructional staff units and 0.24 certificated
19 administrative staff units for enrollment of not more than five
20 students, plus one-twentieth of a certificated instructional staff unit
21 for each additional student enrolled; and

22 (ii) For those enrolling students in grades 7 or 8, 1.68
23 certificated instructional staff units and 0.32 certificated
24 administrative staff units for enrollment of not more than five
25 students, plus one-tenth of a certificated instructional staff unit for
26 each additional student enrolled;

27 (e) For specified enrollments in districts enrolling more than
28 twenty-five but not more than one hundred average annual full-time
29 equivalent students in grades K-8, and for small school plants within
30 any school district which enroll more than twenty-five average annual
31 full-time equivalent students in grades K-8 and have been judged to be
32 remote and necessary by the state board of education:

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

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

1 (f) For districts operating no more than two high schools with
2 enrollments of less than three hundred average annual full-time
3 equivalent students, for enrollment in grades 9-12 in each such school,
4 other than alternative schools:

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

10 (ii) For all other small high schools under this subsection, nine
11 certificated instructional staff units and one-half of a certificated
12 administrative staff unit for the first sixty average annual full time
13 equivalent students, and additional staff units based on a ratio of
14 0.8732 certificated instructional staff units and 0.1268 certificated
15 administrative staff units per each additional forty-three and one-half
16 average annual full time equivalent students.

17 Units calculated under (f)(ii) of this subsection shall be reduced
18 by certificated staff units at the rate of forty-six certificated
19 instructional staff units and four certificated administrative staff
20 units per thousand vocational full-time equivalent students.

21 (g) For each nonhigh school district having an enrollment of more
22 than seventy annual average full-time equivalent students and less than
23 one hundred eighty students, operating a grades K-8 program or a grades
24 1-8 program, an additional one-half of a certificated instructional
25 staff unit; and

26 (h) For each nonhigh school district having an enrollment of more
27 than fifty annual average full-time equivalent students and less than
28 one hundred eighty students, operating a grades K-6 program or a grades
29 1-6 program, an additional one-half of a certificated instructional
30 staff unit.

31 (3) Allocations for classified salaries for the 1997-98 and 1998-99
32 school years shall be calculated using formula-generated classified
33 staff units determined as follows:

34 (a) For enrollments generating certificated staff unit allocations
35 under subsection (2)(d) through (h) of this section, one classified
36 staff unit for each three certificated staff units allocated under such
37 subsections;

1 (b) For all other enrollment in grades K-12, including vocational
2 full-time equivalent enrollments, one classified staff unit for each
3 sixty average annual full-time equivalent students; and

4 (c) For each nonhigh school district with an enrollment of more
5 than fifty annual average full-time equivalent students and less than
6 one hundred eighty students, an additional one-half of a classified
7 staff unit.

8 (4) Fringe benefit allocations shall be calculated at a rate of
9 20.22 percent in the 1997-98 and 1998-99 school years for certificated
10 salary allocations provided under subsection (2) of this section, and
11 a rate of 18.65 percent in the 1997-98 and 1998-99 school years for
12 classified salary allocations provided under subsection (3) of this
13 section.

14 (5) Insurance benefit allocations shall be calculated at the
15 maintenance rate specified in section 504(2) of this act, based on the
16 number of benefit units determined as follows:

17 (a) The number of certificated staff units determined in subsection
18 (2) of this section; and

19 (b) The number of classified staff units determined in subsection
20 (3) of this section multiplied by 1.152. This factor is intended to
21 adjust allocations so that, for the purposes of distributing insurance
22 benefits, full-time equivalent classified employees may be calculated
23 on the basis of 1440 hours of work per year, with no individual
24 employee counted as more than one full-time equivalent.

25 (6)(a) For nonemployee-related costs associated with each
26 certificated staff unit allocated under subsection (2)(a), (b), and (d)
27 through (h) of this section, there shall be provided a maximum of
28 \$7,950 per certificated staff unit in the 1997-98 school year and a
29 maximum of (~~(\$8,165)~~) \$8,053 per certificated staff unit in the 1998-99
30 school year.

31 (b) For nonemployee-related costs associated with each vocational
32 certificated staff unit allocated under subsection (2)(c)(i) of this
33 section, there shall be provided a maximum of \$15,147 per certificated
34 staff unit in the 1997-98 school year and a maximum of (~~(\$15,556)~~)
35 \$19,775 per certificated staff unit in the 1998-99 school year.

36 (c) For nonemployee-related costs associated with each vocational
37 certificated staff unit allocated under subsection (2)(c)(ii) of this
38 section, there shall be provided a maximum of \$15,147 per certificated

1 staff unit in the 1997-98 school year and a maximum of \$15,344 per
2 certificated staff unit in the 1998-99 school year.

3 (7) Allocations for substitute costs for classroom teachers shall
4 be distributed at a maintenance rate of \$354.64 per allocated classroom
5 teachers exclusive of salary increase amounts provided in section 504
6 of this act. Solely for the purposes of this subsection, allocated
7 classroom teachers shall be equal to the number of certificated
8 instructional staff units allocated under subsection (2) of this
9 section, multiplied by the ratio between the number of actual basic
10 education certificated teachers and the number of actual basic
11 education certificated instructional staff reported state-wide for the
12 1996-97 school year.

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

22 (9) The superintendent may distribute a maximum of (~~(\$6,124,000)~~)
23 \$6,114,000 outside the basic education formula during fiscal years 1998
24 and 1999 as follows:

25 (a) For fire protection for school districts located in a fire
26 protection district as now or hereafter established pursuant to chapter
27 52.04 RCW, a maximum of \$447,000 may be expended in fiscal year 1998
28 and a maximum of (~~(\$459,000)~~) \$453,000 may be expended in fiscal year
29 1999;

30 (b) For summer vocational programs at skills centers, a maximum of
31 \$1,948,000 may be expended each fiscal year;

32 (c) A maximum of (~~(\$321,000)~~) \$318,000 may be expended for school
33 district emergencies; and

34 (d) A maximum of \$500,000 per fiscal year may be expended for
35 programs providing skills training for secondary students who are
36 enrolled in extended day school-to-work programs, as approved by the
37 superintendent of public instruction. The funds shall be allocated at
38 a rate not to exceed \$500 per full-time equivalent student enrolled in
39 those programs.

1 (10) For the purposes of RCW 84.52.0531, the increase per full-time
2 equivalent student in state basic education appropriations provided
3 under this act, including appropriations for salary and benefits
4 increases, is 2.5 percent from the 1996-97 school year to the 1997-98
5 school year, and 1.1 percent from the 1997-98 school year to the
6 1998-99 school year.

7 (11) If two or more school districts consolidate and each district
8 was receiving additional basic education formula staff units pursuant
9 to subsection (2)(b) through (h) of this section, the following shall
10 apply:

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

15 (b) For the fourth through eighth school years following
16 consolidation, the difference between the basic education formula staff
17 units received by the districts for the school year prior to
18 consolidation and the basic education formula staff units after
19 consolidation pursuant to subsection (2)(a) through (h) of this section
20 shall be reduced in increments of twenty percent per year.

21 **Sec. 504.** 1997 c 454 s 503 (uncodified) is each amended to read as
22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
24 **COMPENSATION ADJUSTMENTS**

25	General Fund Appropriation (FY 1998)	. . . . . \$	((79,966,000))
26			<u>79,412,000</u>
27	General Fund Appropriation (FY 1999)	. . . . . \$	((116,310,000))
28			<u>115,187,000</u>
29	TOTAL APPROPRIATION	. . . . . \$	((196,276,000))
30			<u>194,599,000</u>

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

33 (1) ((~~\$176,525,000~~)) \$174,999,000 is provided for a cost of living
34 adjustment of 3.0 percent effective September 1, 1997, for state
35 formula staff units. The appropriations include associated incremental
36 fringe benefit allocations at rates of 19.58 percent for certificated
37 staff and 15.15 percent for classified staff.

1 (a) The appropriations in this section include the increased
2 portion of salaries and incremental fringe benefits for all relevant
3 state-funded school programs in part V of this act. Salary adjustments
4 for state employees in the office of superintendent of public
5 instruction and the education reform program are provided in part VII
6 of this act. Increases for general apportionment (basic education) are
7 based on the salary allocation schedules and methodology in section 502
8 of this act. Increases for special education result from increases in
9 each district's basic education allocation per student. Increases for
10 educational service districts and institutional education programs are
11 determined by the superintendent of public instruction using the
12 methodology for general apportionment salaries and benefits in section
13 502 of this act.

14 (b) The appropriations in this section provide salary increase and
15 incremental fringe benefit allocations based on formula adjustments as
16 follows:

17 (i) For pupil transportation, an increase of \$0.60 per weighted
18 pupil-mile for the 1997-98 school year and maintained for the 1998-99
19 school year;

20 (ii) For education of highly capable students, an increase of \$6.81
21 per formula student for the 1997-98 school year and maintained for the
22 1998-99 school year; and

23 (iii) For transitional bilingual education, an increase of \$17.69
24 per eligible bilingual student for the 1997-98 school year and
25 maintained for the 1998-99 school year; and

26 (iv) For learning assistance, an increase of \$8.74 per entitlement
27 unit for the 1997-98 school year and maintained for the 1998-99 school
28 year.

29 (c) The appropriations in this section include (~~(\$912,000)~~)
30 \$903,000 for salary increase adjustments for substitute teachers at a
31 rate of \$10.64 per unit in the 1997-98 school year and maintained in
32 the 1998-99 school year.

33 (2) (~~(\$19,751,000)~~) \$19,600,000 is provided for adjustments to
34 insurance benefit allocations. The maintenance rate for insurance
35 benefit allocations is \$314.51 per month for the 1997-98 and 1998-99
36 school years. The appropriations in this section provide (~~increases~~
37 ~~of \$2.83~~) for a rate increase to \$317.34 per month for the 1997-98
38 school year and (~~(\$18.41)~~) \$335.75 per month for the 1998-99 school
39 year at the following rates:

1 (a) For pupil transportation, an increase of \$0.03 per weighted
2 pupil-mile for the 1997-98 school year and \$0.19 for the 1998-99 school
3 year;

4 (b) For education of highly capable students, an increase of \$0.20
5 per formula student for the 1997-98 school year and \$1.35 for the 1998-
6 99 school year;

7 (c) For transitional bilingual education, an increase of \$.46 per
8 eligible bilingual student for the 1997-98 school year and \$3.44 for
9 the 1998-99 school year; and

10 (d) For learning assistance, an increase of \$.36 per funded unit
11 for the 1997-98 school year and \$2.70 for the 1998-99 school year.

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

14 (4)((+a)) For the 1997-98 school year, the superintendent shall
15 prepare a report showing the allowable derived base salary for
16 certificated instructional staff in accordance with RCW 28A.400.200 and
17 LEAP Document 12D, and the actual derived base salary paid by each
18 school district as shown on the S-275 report and shall make the report
19 available to the fiscal committees of the legislature no later than
20 February 15, 1998.

21 **Sec. 505.** 1997 c 149 s 505 (uncodified) is each amended to read as
22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

24 General Fund Appropriation (FY 1998)	. . . . . \$	((174,344,000))
		<u>175,168,000</u>
26 General Fund Appropriation (FY 1999)	. . . . . \$	((179,560,000))
		<u>179,439,000</u>
28 TOTAL APPROPRIATION	. . . . . \$	((353,904,000))
		<u>354,607,000</u>

29

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

32 (1) The appropriation for fiscal year 1998 includes such funds as
33 are necessary for the remaining months of the 1996-97 school year.

34 (2) A maximum of ((\$1,451,000)) \$1,441,000 may be expended for
35 regional transportation coordinators and related activities. The
36 transportation coordinators shall ensure that data submitted by school
37 districts for state transportation funding shall, to the greatest

1 extent practical, reflect the actual transportation activity of each
2 district.

3 (3) \$30,000 of the fiscal year 1998 appropriation and \$40,000 of
4 the fiscal year 1999 appropriation are provided solely for the
5 transportation of students enrolled in "choice" programs.
6 Transportation shall be limited to low-income students who are
7 transferring to "choice" programs solely for educational reasons.

8 (4) Allocations for transportation of students shall be based on
9 reimbursement rates of \$34.47 per weighted mile in the 1997-98 school
10 year and ((~~\$34.76~~) \$34.61) per weighted mile in the 1998-99 school year
11 exclusive of salary and benefit adjustments provided in section 504 of
12 this act. Allocations for transportation of students transported more
13 than one radius mile shall be based on weighted miles as determined by
14 superintendent of public instruction times the per mile reimbursement
15 rates for the school year pursuant to the formulas adopted by the
16 superintendent of public instruction. Allocations for transportation
17 of students living within one radius mile shall be based on the number
18 of enrolled students in grades kindergarten through five living within
19 one radius mile of their assigned school times the per mile
20 reimbursement rate for the school year times 1.29.

21 **Sec. 506.** 1997 c 149 s 506 (uncodified) is each amended to read as
22 follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
24 **PROGRAMS**

25	General Fund--State Appropriation (FY 1998) . . . \$	3,075,000
26	General Fund--State Appropriation (FY 1999) . . . \$	((3,075,000))
27		<u>3,100,000</u>
28	General Fund--Federal Appropriation \$	194,483,000
29	TOTAL APPROPRIATION \$	((200,633,000))
30		<u>200,658,000</u>

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

33 (1) \$6,000,000 of the general fund--state appropriations are
34 provided for state matching money for federal child nutrition programs.

35 (2) ((~~\$150,000~~) \$175,000) of the general fund--state appropriations
36 are provided for summer food programs for children in low-income areas.

1 **Sec. 507.** 1997 c 149 s 507 (uncodified) is each amended to read as
2 follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
4 **PROGRAMS**

5	General Fund--State Appropriation (FY 1998) . . . \$	((370,486,000))
6		<u>371,687,000</u>
7	General Fund--State Appropriation (FY 1999) . . . \$	((374,327,000))
8		<u>378,405,000</u>
9	General Fund--Federal Appropriation \$	((135,106,000))
10		<u>143,106,000</u>
11	TOTAL APPROPRIATION \$	((879,919,000))
12		<u>893,198,000</u>

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

15 (1) The appropriation for fiscal year 1998 includes such funds as
16 are necessary for the remaining months of the 1996-97 school year.

17 (2) The superintendent of public instruction shall distribute state
18 funds to school districts based on two categories, the optional birth
19 through age two program for special education eligible developmentally
20 delayed infants and toddlers, and the mandatory special education
21 program for special education eligible students ages three to twenty-
22 one. A "special education eligible student" means a student receiving
23 specially designed instruction in accordance with a properly formulated
24 individualized education program.

25 (3) For the 1997-98 and 1998-99 school years, the superintendent
26 shall distribute state funds to each district based on the sum of:

27 (a) A district's annual average headcount enrollment of
28 developmentally delayed infants and toddlers ages birth through two,
29 times the district's average basic education allocation per full-time
30 equivalent student, times 1.15; and

31 (b) A district's annual average full-time equivalent basic
32 education enrollment times the funded enrollment percent determined
33 pursuant to subsection (4)(c) of this section, times the district's
34 average basic education allocation per full-time equivalent student
35 times 0.9309.

36 (4) The definitions in this subsection apply throughout this
37 section.

38 (a) "Average basic education allocation per full-time equivalent
39 student" for a district shall be based on the staffing ratios required

1 by RCW 28A.150.260 (i.e., 49/1000 certificated instructional staff in
2 grades K-3, and 46/1000 in grades 4-12) and shall not include
3 enhancements for K-3, secondary vocational education, or small schools.

4 (b) "Annual average full-time equivalent basic education
5 enrollment" means the resident enrollment including students enrolled
6 through choice (RCW 28A.225.225) and students from nonhigh districts
7 (RCW 28A.225.210) and excluding students residing in another district
8 enrolled as part of an interdistrict cooperative program (RCW
9 28A.225.250).

10 (c) "Enrollment percent" means the district's resident special
11 education annual average enrollment including those students counted
12 under the special education demonstration projects, excluding the birth
13 through age two enrollment, as a percent of the district's annual
14 average full-time equivalent basic education enrollment. For the 1997-
15 98 and the 1998-99 school years, each district's funded enrollment
16 percent shall be:

17 (i) For districts whose enrollment percent for 1994-95 was at or
18 below 12.7 percent, the lesser of the district's actual enrollment
19 percent for the school year for which the allocation is being
20 determined or 12.7 percent.

21 (ii) For districts whose enrollment percent for 1994-95 was above
22 12.7 percent, the lesser of:

23 (A) The district's actual enrollment percent for the school year
24 for which the special education allocation is being determined; or

25 (B) The district's actual enrollment percent for the school year
26 immediately prior to the school year for which the special education
27 allocation is being determined if greater than 12.7 percent; or

28 (C) For 1997-98, the 1994-95 enrollment percent reduced by 75
29 percent of the difference between the district's 1994-95 enrollment
30 percent and 12.7 percent and for 1998-99, 12.7 percent.

31 (5) At the request of any interdistrict cooperative of at least 15
32 districts in which all excess cost services for special education
33 students of the districts are provided by the cooperative, the maximum
34 enrollment percent shall be 12.7, and shall be calculated in the
35 aggregate rather than individual district units. For purposes of this
36 subsection (4) of this section, the average basic education allocation
37 per full-time equivalent student shall be calculated in the aggregate
38 rather than individual district units.

1 (6) A maximum of \$12,000,000 of the general fund--state
2 appropriation for fiscal year 1998 and a maximum of \$12,000,000 of the
3 general fund--state appropriation for fiscal year 1999 are provided as
4 safety net funding for districts with demonstrated needs for state
5 special education funding beyond the amounts provided in subsection (3)
6 of this section. Safety net funding shall be awarded by the state
7 safety net oversight committee.

8 (a) The safety net oversight committee shall first consider the
9 needs of districts adversely affected by the 1995 change in the special
10 education funding formula. Awards shall be based on the amount
11 required to maintain the 1994-95 state special education excess cost
12 allocation to the school district in aggregate or on a dollar per
13 funded student basis.

14 (b) The committee shall then consider unusual needs of districts
15 due to a special education population which differs significantly from
16 the assumptions of the state funding formula. Awards shall be made to
17 districts that convincingly demonstrate need due to the concentration
18 and/or severity of disabilities in the district. Differences in
19 program costs attributable to district philosophy or service delivery
20 style are not a basis for safety net awards.

21 (7) Prior to June 1st of each year, the superintendent shall make
22 available to each school district from available data the district's
23 maximum funded enrollment percent for the coming school year.

24 (8) The superintendent of public instruction may adopt such rules
25 and procedures as are necessary to administer the special education
26 funding and safety net award process. Prior to revising any standards,
27 procedures, or rules in place for the 1996-97 school year, the
28 superintendent shall consult with the office of financial management
29 and the fiscal committees of the legislature.

30 (9) The safety net oversight committee appointed by the
31 superintendent of public instruction shall consist of:

32 (a) Staff of the office of superintendent of public instruction;

33 (b) Staff of the office of the state auditor;

34 (c) Staff from the office of the financial management; and

35 (d) One or more representatives from school districts or
36 educational service districts knowledgeable of special education
37 programs and funding.

38 (10) A maximum of \$4,500,000 of the general fund--federal
39 appropriation shall be expended for safety net funding to meet the

1 extraordinary needs of one or more individual special education
2 students.

3 (11) A maximum of \$678,000 may be expended from the general fund--
4 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
5 full-time equivalent aides at children's orthopedic hospital and
6 medical center. This amount is in lieu of money provided through the
7 home and hospital allocation and the special education program.

8 (12) A maximum of \$1,000,000 of the general fund--federal
9 appropriation is provided for projects to provide special education
10 students with appropriate job and independent living skills, including
11 work experience where possible, to facilitate their successful
12 transition out of the public school system. The funds provided by this
13 subsection shall be from federal discretionary grants.

14 (13) A school district may carry over up to 10 percent of general
15 fund--state funds allocated under this program; however, carry over
16 funds shall be expended in the special education program.

17 (14) Beginning in the 1997-98 school year, the superintendent shall
18 increase the percentage of federal flow-through to school districts to
19 at least 84 percent. In addition to other purposes, school districts
20 may use increased federal funds for high cost students, for purchasing
21 regional special education services from educational service districts,
22 and for staff development activities particularly relating to inclusion
23 issues.

24 (15) Up to one percent of the general fund--federal appropriation
25 shall be expended by the superintendent for projects related to use of
26 inclusion strategies by school districts for provision of special
27 education services. The superintendent shall prepare an information
28 database on laws, best practices, examples of programs, and recommended
29 resources. The information may be disseminated in a variety of ways,
30 including workshops and other staff development activities.

31 (16) Amounts appropriated within this section are sufficient to
32 fund (~~section 5 of Second Substitute House Bill No. 1709 (mandate on~~
33 ~~school districts)) the provisions of House Bill No. 2682 (school
34 medicaid incentive payments).~~

35 **Sec. 508.** 1997 c 149 s 508 (uncodified) is each amended to read as
36 follows:

37 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY**
38 **EDUCATION PROGRAMS**

1 Public Safety and Education Account
 2 Appropriation \$ ((17,179,000))
 3 16,883,000

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

6 (1) The appropriation includes such funds as are necessary for the
 7 remaining months of the 1996-97 school year.

8 (2) A maximum of \$507,000 shall be expended for regional traffic
 9 safety education coordinators.

10 (3) The maximum basic state allocation per student completing the
 11 program shall be \$137.16 in the 1997-98 and 1998-99 school years.

12 (4) Additional allocations to provide tuition assistance for
 13 students from low-income families who complete the program shall be a
 14 maximum of \$66.81 per eligible student in the 1997-98 and 1998-99
 15 school years.

16 **Sec. 509.** 1997 c 454 s 504 (uncodified) is each amended to read as
 17 follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
 19 **ASSISTANCE**

20 General Fund Appropriation (FY 1998) \$ ((84,347,000))
 21 82,079,000
 22 General Fund Appropriation (FY 1999) \$ ((89,605,000))
 23 86,272,000
 24 TOTAL APPROPRIATION \$ ((173,952,000))
 25 168,351,000

26 **Sec. 510.** 1997 c 454 s 505 (uncodified) is amended to read as
 27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
 29 **EDUCATION PROGRAMS**

30 General Fund--State Appropriation (FY 1998) . . . \$ ((18,026,000))
 31 16,897,000
 32 General Fund--State Appropriation (FY 1999) . . . \$ ((18,983,000))
 33 18,596,000
 34 General Fund--Federal Appropriation \$ 8,548,000
 35 TOTAL APPROPRIATION \$ ((45,557,000))
 36 44,041,000

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

3 (1) The general fund--state appropriation for fiscal year 1998
4 includes such funds as are necessary for the remaining months of the
5 1996-97 school year.

6 (2) State funding provided under this section is based on salaries
7 and other expenditures for a 220-day school year. The superintendent
8 of public instruction shall monitor school district expenditure plans
9 for institutional education programs to ensure that districts plan for
10 a full-time summer program.

11 (3) State funding for each institutional education program shall be
12 based on the institution's annual average full-time equivalent student
13 enrollment. Staffing ratios for each category of institution shall
14 remain the same as those funded in the 1995-97 biennium.

15 (4) (~~(\$341,000 of the general fund state fiscal year 1998~~
16 ~~appropriation and \$407,000 of the general fund state fiscal year 1999~~
17 ~~appropriation are provided solely for the implementation of Engrossed~~
18 ~~Third Substitute House Bill No. 3900 (revising the juvenile code).)~~)
19 \$1,196,000 of the fiscal year 1999 general fund--state appropriation is
20 provided to implement Engrossed Substitute Senate Bill No. 6600
21 (correctional facilities education programs). If Engrossed Substitute
22 Senate Bill No. 6600 is enacted, beginning in the 1998-99 school year,
23 the funded staffing ratios for education programs for juveniles age 18
24 or less in department of corrections facilities shall be the same as
25 those provided for education programs in delinquent institutions under
26 the department of social and health services. If the bill is not
27 enacted by June 30, (~~(1997)) 1998~~, the amounts provided in this
28 subsection shall lapse.

29 **Sec. 511.** 1997 c 149 s 513 (uncodified) is amended to read as
30 follows:

31 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
32 **CAPABLE STUDENTS**

33	General Fund Appropriation (FY 1998)	. . . . . \$	((5,752,000))
34			<u>5,701,000</u>
35	General Fund Appropriation (FY 1999)	. . . . . \$	((6,176,000))
36			<u>6,121,000</u>
37	TOTAL APPROPRIATION	. . . . . \$	((11,928,000))
38			<u>11,822,000</u>

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

3 (1) The appropriation for fiscal year 1998 includes such funds as
4 are necessary for the remaining months of the 1996-97 school year.

5 (2) Allocations for school district programs for highly capable
6 students shall be distributed at a maximum rate of \$311.12 per funded
7 student for the 1997-98 school year and (~~(\$311.58)~~) \$311.35 per funded
8 student for the 1998-99 school year, exclusive of salary and benefit
9 adjustments pursuant to section 504 of this act. The number of funded
10 students shall be a maximum of two percent of each district's full-time
11 equivalent basic education enrollment.

12 (3) \$350,000 of the appropriation is for the centrum program at
13 Fort Worden state park.

14 (4) \$186,000 of the appropriation is for the odyssey of the mind
15 and future problem-solving programs.

16 **Sec. 512.** 1997 c 454 s 506 (uncodified) is amended to read as
17 follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

19	General Fund Appropriation (FY 1998)	. . . . . \$	((18,905,000))
20			<u>18,605,000</u>
21	General Fund Appropriation (FY 1999)	. . . . . \$	((21,868,000))
22			<u>22,017,000</u>
23	TOTAL APPROPRIATION	. . . . . \$	((40,773,000))
24			<u>40,622,000</u>

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

27 (1) (~~(\$18,103,000)~~) \$17,153,000 is provided for the operation of
28 the commission on student learning and the development and
29 implementation of student assessments. The commission shall cooperate
30 with the superintendent of public instruction in defining measures of
31 student achievement to be included in the student record system
32 developed by the superintendent pursuant to section 501(1)(b) of this
33 act.

34 (2) \$2,190,000 is provided solely for training of paraprofessional
35 classroom assistants and certificated staff who work with classroom
36 assistants as provided in RCW 28A.415.310.

37 (3) \$2,970,000 is provided for mentor teacher assistance, including
38 state support activities, under RCW 28A.415.250 and 28A.415.260. Funds

1 for the teacher assistance program shall be allocated to school
2 districts based on the number of beginning teachers.

3 (4) \$4,050,000 is provided for improving technology infrastructure,
4 monitoring and reporting on school district technology development,
5 promoting standards for school district technology, promoting statewide
6 coordination and planning for technology development, and providing
7 regional educational technology support centers, including state
8 support activities, under chapter 28A.650 RCW.

9 (5) \$7,200,000 is provided for grants to school districts to
10 provide a continuum of care for children and families to help children
11 become ready to learn. Grant proposals from school districts shall
12 contain local plans designed collaboratively with community service
13 providers. If a continuum of care program exists in the area in which
14 the school district is located, the local plan shall provide for
15 coordination with existing programs to the greatest extent possible.
16 Grant funds shall be allocated pursuant to RCW 70.190.040.

17 (6) \$5,000,000 is provided solely for the meals for kids program
18 under RCW 28A.235.145 through 28A.235.155.

19 (7) \$1,260,000 is provided for technical assistance related to
20 education reform through the office of the superintendent of public
21 instruction, in consultation with the commission on student learning,
22 as specified in RCW 28A.300.130 (center for the improvement of student
23 learning).

24 (8) \$799,000 of the fiscal year 1999 appropriation is provided
25 solely for the leadership internship program for superintendents,
26 principals, and program administrators. The purpose of the program is
27 to provide funds to school districts to provide partial release time
28 for district employees in an internship with an appropriate mentor.
29 The funds shall be distributed by the superintendent to school
30 districts subject to the following conditions and limitations:

31 (i) The superintendent with the assistance of an advisory board
32 that includes school administrators and higher education
33 representatives shall select internship participants giving priority to
34 candidates who intend to serve in school districts where finding
35 qualified applicants has been difficult.

36 (ii) Candidates if accepted in the internship program must agree to
37 seek employment in Washington after receiving certification,
38 participate in education improvement training activities, and

1 participate in evaluations of the effectiveness of the internship
2 program.

3 (iii) The maximum amount of state funding for each internship shall
4 not exceed the daily rate of providing a substitute teacher for the
5 equivalent of up to forty-five days and the funds shall be used to pay
6 for partial release time while the school district employee is
7 completing the internship.

8 (iv) The superintendent may withhold a maximum of seven percent of
9 the funds for costs of implementing the program.

10 **Sec. 513.** 1997 c 454 s 507 (uncodified) is amended to read as
11 follows:

12 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
13 **BILINGUAL PROGRAMS**

14	General Fund Appropriation (FY 1998)	. . . . . \$	((31,146,000))
15			<u>30,711,000</u>
16	General Fund Appropriation (FY 1999)	. . . . . \$	((33,414,000))
17			<u>32,185,000</u>
18	TOTAL APPROPRIATION	. . . . . \$	((64,560,000))
19			<u>62,896,000</u>

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

22 (1) The appropriation for fiscal year 1998 provides such funds as
23 are necessary for the remaining months of the 1996-97 school year.

24 (2) The superintendent of public instruction shall study the
25 formula components proposed for the 1998-99 school year and prepare a
26 report to the legislature no later than January 15, 1998.

27 (3) The superintendent shall distribute a maximum of \$643.78 per
28 eligible bilingual student in the 1997-98 and 1998-99 school years,
29 exclusive of salary and benefit adjustments provided in section 503 of
30 this act.

31 **Sec. 514.** 1997 c 149 s 516 (uncodified) is amended to read as
32 follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
34 **ASSISTANCE PROGRAM**

35	General Fund Appropriation (FY 1998)	. . . . . \$	((60,309,000))
36			<u>60,224,000</u>
37	General Fund Appropriation (FY 1999)	. . . . . \$	((60,862,000))

1 61,000,000
2 TOTAL APPROPRIATION \$ ((121,171,000))
3 121,224,000

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

6 (1) The appropriation for fiscal year 1998 provides such funds as
7 are necessary for the remaining months of the 1996-97 school year.

8 (2) For making the calculation of the percentage of students
9 scoring in the lowest quartile as compared with national norms,
10 beginning with the 1991-92 school year, the superintendent shall
11 multiply each school district's 4th and 8th grade test results by 0.86.

12 (3) Funding for school district learning assistance programs shall
13 be allocated at maximum rates of \$378.33 per funded unit for the 1997-
14 98 school year and ((~~\$379.47~~)) \$378.88 per funded unit for the 1998-99
15 school year exclusive of salary and benefit adjustments provided in
16 section 504 of this act. School districts may carryover up to 10
17 percent of funds allocated under this program; however, carryover funds
18 shall be expended for the learning assistance program.

19 (a) A school district's funded units for the 1997-98 and 1998-99
20 school years shall be the sum of the following:

21 (i) The district's full-time equivalent enrollment in kindergarten
22 through 6th grade, times the 5-year average 4th grade test result as
23 adjusted pursuant to subsection (2) of this section, times 0.92; and

24 (ii) The district's full-time equivalent enrollment in grades 7
25 through 9, times the 5-year average 8th grade test result as adjusted
26 pursuant to subsection (2) of this section, times 0.92; and

27 (iii) If in the prior school year the district's percentage of
28 October headcount enrollment in grades K-12 eligible for free and
29 reduced price lunch exceeded the state average, subtract the state
30 average percentage of students eligible for free and reduced price
31 lunch from the district's percentage and multiply the result by the
32 district's K-12 annual average full-time equivalent enrollment for the
33 current school year times 22.30 percent.

34 **Sec. 515.** 1997 c 454 s 508 (uncodified) is amended to read as
35 follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**
37 General Fund Appropriation (FY 1998) \$ ((49,815,000))
38 49,493,000

1	General Fund Appropriation (FY 1999)	\$	((56,962,000))
2			<u>55,659,000</u>
3	TOTAL APPROPRIATION	\$	((106,777,000))
4			<u>105,152,000</u>

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

7 (1) A maximum of ((~~\$50,841,000~~)) \$50,418,000 is provided for
8 learning improvement allocations to school districts to enhance the
9 ability of instructional staff to teach and assess the essential
10 academic learning requirements for reading, writing, communication, and
11 math in accordance with the timelines and requirements established
12 under RCW 28A.630.885. However, special emphasis shall be given to the
13 successful teaching of reading. Allocations under this section shall
14 be subject to the following conditions and limitations:

15 (a) In accordance with the timetable for the implementation of the
16 assessment system by the commission on student learning, the
17 allocations for the 1997-98 and 1998-99 school years shall be at a
18 maximum annual rate per full-time equivalent student of \$36.69 for
19 students enrolled in grades K-4, \$30.00 for students enrolled in grades
20 5-7, and \$22.95 for students enrolled in grades 8-12. Allocations
21 shall be made on the monthly apportionment schedule provided in RCW
22 28A.510.250.

23 (b) A district receiving learning improvement allocations shall:

24 (i) Develop and keep on file at each building a student learning
25 improvement plan to achieve the student learning goals and essential
26 academic learning requirements and to implement the assessment system
27 as it is developed. The plan shall delineate how the learning
28 improvement allocations will be used to accomplish the foregoing. The
29 plan shall be made available to the public upon request;

30 (ii) Maintain a policy regarding the involvement of school staff,
31 parents, and community members in instructional decisions;

32 (iii) File a report by October 1, 1998, and October 1, 1999, with
33 the office of the superintendent of public instruction, in a format
34 developed by the superintendent that: Enumerates the activities funded
35 by these allocations; the amount expended for each activity; describes
36 how the activity improved understanding, teaching, and assessment of
37 the essential academic learning requirements by instructional staff;
38 and identifies any amounts expended from this allocation for
39 supplemental contracts; and

1 (iv) Provide parents and the local community with specific
2 information on the use of this allocation by including in the annual
3 performance report required in RCW 28A.320.205, information on how
4 funds allocated under this subsection were spent and the results
5 achieved.

6 (c) The superintendent of public instruction shall compile and
7 analyze the school district reports and present the results to the
8 office of financial management and the appropriate committees of the
9 legislature no later than November 15, 1998, and November 15, 1999.

10 (2) (~~(\$55,937,000)~~) \$54,734,000 is provided for local education
11 program enhancements to meet educational needs as identified by the
12 school district, including alternative education programs. This amount
13 includes such amounts as are necessary for the remainder of the 1996-97
14 school year. Allocations for the 1997-98 (~~and 1998-99~~) school year
15 shall be at a maximum annual rate of \$29.86 per full-time equivalent
16 student and \$28.81 per full-time equivalent student for the 1998-99
17 school year as determined pursuant to subsection (3) of this section.
18 Allocations shall be made on the monthly apportionment payment schedule
19 provided in RCW 28A.510.250.

20 (3) Allocations provided under this section shall be based on
21 school district annual average full-time equivalent enrollment in
22 grades kindergarten through twelve: PROVIDED, That for school
23 districts enrolling not more than one hundred average annual full-time
24 equivalent students, and for small school plants within any school
25 district designated as remote and necessary schools, the allocations
26 shall be as follows:

27 (a) Enrollment of not more than 60 average annual full-time
28 equivalent students in grades kindergarten through six shall generate
29 funding based on sixty full-time equivalent students;

30 (b) Enrollment of not more than 20 average annual full-time
31 equivalent students in grades seven and eight shall generate funding
32 based on twenty full-time equivalent students; and

33 (c) Enrollment of not more than 60 average annual full-time
34 equivalent students in grades nine through twelve shall generate
35 funding based on sixty full-time equivalent students.

36 (4) Funding provided pursuant to this section does not fall within
37 the definition of basic education for purposes of Article IX of the
38 state Constitution and the state's funding duty thereunder.

1 (5) Receipt by a school district of one-fourth of the district's
2 allocation of funds under this section, shall be conditioned on a
3 finding by the superintendent that:

4 (a) The district is enrolled as a medicaid service provider and is
5 actively pursuing federal matching funds for medical services provided
6 through special education programs, pursuant to RCW 74.09.5241 through
7 74.09.5256 (Title XIX funding); and

8 (b) The district is filing truancy petitions as required under
9 chapter 312, Laws of 1995 and RCW 28A.225.030.

10

(End of part)

PART VI
HIGHER EDUCATION

3 **Sec. 601.** 1997 c 454 s 601 (uncodified) is amended to read as
4 follows:

5 The appropriations in sections 603 through 609 of this act are
6 subject to the following conditions and limitations:

7 (1) "Institutions" means the institutions of higher education
8 receiving appropriations under sections 603 through 609 of this act.

9 (2)(a) The salary increases provided or referenced in this
10 subsection shall be the allowable salary increases provided at
11 institutions of higher education, excluding increases associated with
12 normally occurring promotions and increases related to faculty and
13 professional staff retention, and excluding increases associated with
14 employees under the jurisdiction of chapter 41.56 RCW pursuant to the
15 provisions of RCW 28B.16.015.

16 (b) Each institution of higher education shall provide to each
17 classified staff employee as defined by the office of financial
18 management a salary increase of 3.0 percent on July 1, 1997. Each
19 institution of higher education shall provide to instructional and
20 research faculty, exempt professional staff, academic administrators,
21 academic librarians, counselors, teaching and research assistants as
22 classified by the office of financial management, and all other
23 nonclassified staff, including those employees under RCW 28B.16.015, an
24 average salary increase of 3.0 percent on July 1, 1997. For employees
25 under the jurisdiction of chapter 41.56 RCW pursuant to the provisions
26 of RCW 28B.16.015, distribution of the salary increases will be in
27 accordance with the applicable collective bargaining agreement.
28 However, an increase shall not be provided to any classified employee
29 whose salary is above the approved salary range maximum for the class
30 to which the employee's position is allocated. To collect consistent
31 data for use by the legislature, the office of financial management,
32 and other state agencies for policy and planning purposes, institutions
33 of higher education shall report personnel data to be used in the
34 department of personnel's human resource data warehouse in compliance
35 with uniform reporting procedures established by the department of
36 personnel.

1 (c) Each institution of higher education receiving appropriations
2 under sections 604 through 609 of this act may provide to instructional
3 and research faculty, exempt professional staff, academic
4 administrators, academic librarians, counselors, teaching and research
5 assistants, as classified by the office of financial management, and
6 all other nonclassified staff, but not including employees under RCW
7 28B.16.015, an additional average salary increase of 1.0 percent on
8 July 1, 1997, and an average salary increase of 2.0 percent on July 1,
9 1998. Any salary increases authorized under this subsection (2)(c)
10 shall not be included in an institution's salary base. It is the
11 intent of the legislature that general fund--state support for an
12 institution shall not increase during the current or any future
13 biennium as a result of any salary increases authorized under this
14 subsection (2)(c).

15 (d) Specific salary increases authorized in sections 603 through
16 609 of this act are in addition to any salary increase provided in this
17 subsection.

18 (3)(a) Each institution receiving appropriations under sections 604
19 through 609 of this act shall submit plans for achieving measurable and
20 specific improvements in academic years 1997-98 and 1998-99 to the
21 higher education coordinating board. The plans, to be prepared at the
22 direction of the board, shall be submitted by August 15, 1997 (for
23 academic year 1997-98) and June 30, 1998 (for academic year 1998-99).
24 The following measures and goals will be used for the 1997-99 biennium:

	Goal
(i) Undergraduate graduation efficiency index:	
For students beginning as freshmen	95
For transfer students	90
(ii) Undergraduate student retention, defined as the percentage of all undergraduate students who return for the next year at the same institution, measured from fall to fall:	
Research universities	95%
Comprehensive universities and college	90%
(iii) Graduation rates, defined as the percentage of an entering freshmen class at each institution that graduates within five years:	
Research universities	65%
Comprehensive universities and college	55%

1 (iv) A measure of faculty productivity, with goals and targets in
2 accord with the legislative intent to achieve measurable and specific
3 improvements, to be determined by the higher education coordinating
4 board, in consultation with the institutions receiving appropriations
5 under sections 604 through 609 of this act.

6 (v) An additional measure and goal to be selected by the higher
7 education coordinating board for each institution, in consultation with
8 each institution.

9 (b) Academic year 1995-96 shall be the baseline year against which
10 performance in academic year 1997-98 shall be measured. Academic year
11 1997-98 shall be the baseline year against which performance in
12 academic year 1998-99 shall be measured. The difference between each
13 institution's baseline year and the state-wide performance goals shall
14 be calculated and shall be the performance gap for each institution for
15 each measure for each year. The higher education coordinating board
16 shall set performance targets for closing the performance gap for each
17 measure for each institution. Performance targets shall be set at
18 levels that reflect meaningful and substantial progress towards the
19 state-wide performance goals. Each institution shall report to the
20 higher education coordinating board on its actual performance
21 achievement for each measure for academic year 1997-98 by (~~June 30,~~
22 ~~1998, except that performance reporting for the student retention~~
23 ~~measure shall be completed by October 15, 1998~~) November 1, 1998.

24 (4) The state board for community and technical colleges shall
25 develop an implementation plan for measurable and specific improvements
26 in productivity, efficiency, and student retention in academic years
27 1997-98 and 1998-99 consistent with the performance management system
28 developed by the work force training and education coordinating board
29 and for the following long-term performance goals:

	Goal
30	
31 (a) Hourly wages for vocational graduates	\$12/hour
32 (b) Academic students transferring to Washington	
33 higher education institutions	67%
34 (c) Core course completion rates	85%
35 (d) Graduation efficiency index	95

36 (5) The state's public institutions of higher education
37 increasingly are being called upon to become more efficient in
38 conducting the business operations necessary to support the carrying

1 out of their academic missions. The legislature recognizes that state
 2 laws and regulations may have the unintended effect of acting as
 3 barriers to efficient operation in some instances, and desires to
 4 encourage the institutions of higher education to think beyond the
 5 constraints of current law in identifying opportunities for improved
 6 efficiency. Accordingly, the legislature requests that the
 7 institutions of higher education, working together through the council
 8 of presidents' office and the state board for community and technical
 9 colleges, identify opportunities for changes in state law that would
 10 form the basis for a new efficiency compact with the state, for
 11 consideration no later than the 1999 legislative session.

12 (6) Pursuant to RCW 43.135.055, institutions of higher education
 13 receiving appropriations under sections 603 through 609 of this act are
 14 authorized to increase summer term tuition in excess of the fiscal
 15 growth factor during the 1997-99 fiscal biennium. Tuition levels
 16 increased pursuant to this subsection shall not exceed the per credit
 17 hour rate calculated from the academic year tuition levels established
 18 by the legislature in RCW 28B.15.067.

19 **Sec. 602.** 1997 c 454 s 602 (uncodified) is amended to read as
 20 follows:

21 ~~((1+))~~ The appropriations in sections 603 through 609 of this act
 22 provide state general fund support or employment and training trust
 23 account support for full-time equivalent student enrollments at each
 24 institution of higher education. Listed below are the annual full-time
 25 equivalent student enrollments by institution assumed in this act.

	1997-98	1998-99
	Annual	Annual
	Average	Average
29 University of Washington		
30 Main campus	31,297	31,527
31 Bothell branch	775	895
32 Tacoma branch	847	992
33 Washington State University		
34 Main campus	17,403	((17,723))
35		<u>17,272</u>
36 Spokane branch	352	442

1	Tri-Cities branch	754	((814))
2			<u>754</u>
3	Vancouver branch	851	971
4	Central Washington University	7,346	7,446
5	Eastern Washington University	7,739	7,739
6	The Evergreen State College	3,496	3,576
7	Western Washington University	10,188	10,338
8	State Board for Community and		
9	Technical Colleges	116,426	118,526
10	Higher Education Coordinating		
11	Board	50	50

12 **Sec. 603.** 1997 c 454 s 603 (uncodified) is amended to read as
13 follows:

14 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

15	General Fund--State Appropriation (FY 1998) . . . \$	((382,891,000))
16		<u>380,445,000</u>
17	General Fund--State Appropriation (FY 1999) . . . \$	((420,961,000))
18		<u>421,647,000</u>
19	General Fund--Federal Appropriation \$	11,404,000
20	Employment and Training Trust Account	
21	Appropriation \$	((26,346,000))
22		<u>29,114,000</u>
23	TOTAL APPROPRIATION \$	((841,602,000))
24		<u>842,610,000</u>

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

27 (1) \$2,718,000 of the general fund--state appropriation for fiscal
28 year 1998 and \$4,079,000 of the general fund--state appropriation for
29 fiscal year 1999 shall be held in reserve by the board. These funds
30 are provided for improvements in productivity, efficiency, and student
31 retention. The board may approve the fiscal year 1998 allocation of
32 funds under this subsection upon completion of an implementation plan.
33 The implementation plan shall be submitted by the board to the
34 appropriate legislative committees and the office of financial
35 management in accordance with section 601(4) of this act by September
36 1, 1997. The board may approve the fiscal year 1999 allocation of
37 funds under this subsection based on the board's evaluation of:

1 (a) College performance compared to the goals for productivity,
2 efficiency, and student retention as submitted in the plan required in
3 section 601(4) of this act; and

4 (b) The quality and effectiveness of the strategies the colleges
5 propose to achieve continued improvement in quality and efficiency
6 during the 1998-99 academic year.

7 (2) (~~(\$2,553,000 of the general fund--state appropriation for~~
8 ~~fiscal year 1998, \$28,761,000)~~) \$28,546,000 of the general fund--state
9 appropriation for fiscal year 1999(~~(7)~~) and the entire employment and
10 training trust account appropriation are provided solely as special
11 funds for training and related support services, including financial
12 aid, child care, and transportation, as specified in chapter 226, Laws
13 of 1993 (employment and training for unemployed workers) and Substitute
14 House Bill No. 2214.

15 (a) Funding is provided to support up to 7,200 full-time equivalent
16 students in each fiscal year.

17 (b) The state board for community and technical colleges shall
18 submit a plan for the allocation of the full-time equivalent students
19 provided in this subsection to the workforce training and education
20 coordinating board for review and approval.

21 (3) \$1,441,000 of the general fund--state appropriation for fiscal
22 year 1998 and \$1,441,000 of the general fund--state appropriation for
23 fiscal year 1999 are provided solely for 500 FTE enrollment slots to
24 implement RCW 28B.50.259 (timber-dependent communities).

25 (4) \$1,862,500 of the general fund--state appropriation for fiscal
26 year 1998 and \$1,862,500 of the general fund--state appropriation for
27 fiscal year 1999 are provided solely for assessment of student outcomes
28 at community and technical colleges.

29 (5) \$706,000 of the general fund--state appropriation for fiscal
30 year 1998 and \$706,000 of general fund--state appropriation for fiscal
31 year 1999 are provided solely to recruit and retain minority students
32 and faculty.

33 (6) Up to \$1,035,000 of the general fund--state appropriation for
34 fiscal year 1998 and up to \$2,102,000 of the general fund--state
35 appropriation for fiscal year 1999 may be used in combination with
36 salary and benefit savings from faculty turnover to provide faculty
37 salary increments and associated benefits. To the extent general
38 salary increase funding is used to pay faculty increments, the general
39 salary increase shall be reduced by the same amount.

1 (7) To address part-time faculty salary disparities and to increase
2 the ratio of full-time to part-time faculty instructors, the board
3 shall provide salary increases to part-time instructors or hire
4 additional full-time instructional staff under the following conditions
5 and limitations: (a) The amount used for such purposes shall not
6 exceed an amount equivalent to an additional salary increase of 1.0
7 percent on July 1, 1997, and an additional salary increase of 2.0
8 percent on July 1, 1998, for instructional faculty as classified by the
9 office of financial management; and (b) at least \$2,934,000 shall be
10 spent for the purposes of this subsection.

11 (8) \$83,000 of the general fund--state appropriation for fiscal
12 year 1998 and (~~(\$1,567,000)~~) \$867,000 of the general fund--state
13 appropriation for fiscal year 1999 are provided for personnel and
14 expenses to develop curricula, library resources, and operations of
15 Cascadia Community College. It is the legislature's intent to use the
16 opportunity provided by the establishment of the new institution to
17 conduct a pilot project of budgeting based on instructional standards
18 and outcomes. The college shall use a portion of the available funds
19 to develop a set of measurable standards and outcomes as the basis for
20 budget development in the 1999-01 biennium.

21 (9) The technical colleges may increase tuition and fees to conform
22 with the percentage increase in community college operating fees
23 enacted by the 1997 legislature. The community colleges may charge up
24 to the maximum level authorized for services and activities fees in RCW
25 28B.15.069.

26 (10) Community and technical colleges with below-average faculty
27 salaries may use funds identified by the state board in the 1997-98 and
28 1998-99 operating allocations to increase faculty salaries no higher
29 than the system-wide average.

30 (11) \$1,000,000 of the general fund--state appropriation for fiscal
31 year 1998 and \$1,000,000 of the general fund--state appropriation for
32 fiscal year 1999 are provided solely for tuition support for students
33 enrolled in work-based learning programs.

34 (12) \$700,000 of the general fund--state appropriation for fiscal
35 year 1999 is provided solely for a technology equipment matching
36 program for community and technical colleges. Each college district
37 shall match its allocation of this appropriation with an equal amount
38 of cash donations from private sources.

1 (13) \$125,000 of the general fund--state appropriation for fiscal
 2 year 1999 is provided solely to pay the increased employer funding rate
 3 resulting from the settlement in *Burbage et al. v. State of Washington*
 4 (Thurston county superior court cause no. 94-2-02560-8), as referenced
 5 in section 707(1)(c) of this act. If the stipulated settlement is not
 6 approved by the court by August 1, 1998, the amount provided in this
 7 subsection shall lapse.

8 (14) \$669,000 of the general fund--state appropriation for fiscal
 9 year 1999 is provided solely to pay the increased employer funding rate
 10 resulting from the settlement in *Retired State Employees et al. v.*
 11 *State of Washington* (Thurston county superior court cause no. 92-2-
 12 01294-1), as referenced in section 707(1)(d) of this act. If the
 13 stipulated settlement is not approved by the court by August 1, 1998,
 14 the amount provided in this subsection shall lapse.

15 **Sec. 604.** 1997 c 454 s 604 (uncodified) is amended to read as
 16 follows:

17 **FOR UNIVERSITY OF WASHINGTON**

18	General Fund Appropriation (FY 1998)	. . . . . \$	283,923,000
19	General Fund Appropriation (FY 1999)	. . . . . \$	((289,807,000))
20			<u>293,988,000</u>
21	Death Investigations Account Appropriation	. . . \$	((1,810,000))
22			<u>2,162,000</u>
23	Industrial Insurance Premium Refund Account		
24	Appropriation	. . . . . \$	514,000
25	Accident Account Appropriation	. . . . . \$	4,969,000
26	Medical Aid Account Appropriation	. . . . . \$	4,989,000
27	TOTAL APPROPRIATION	. . . . . \$	((586,012,000))
28			<u>590,545,000</u>

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

31 (1) \$2,019,000 of the general fund appropriation for fiscal year
 32 1998 and \$3,029,000 of the general fund appropriation for fiscal year
 33 1999 shall be placed in reserve. The office of financial management
 34 shall approve the allotment of amounts under this subsection upon
 35 notification by the higher education coordinating board. These amounts
 36 are provided for the preparation of plans and for the achievement of
 37 measurable and specific improvements towards performance and
 38 accountability goals as outlined in section 601(3) of this act.

1 (2) \$800,000 of the general fund appropriation for fiscal year 1998
2 and \$1,896,000 of the general fund appropriation for fiscal year 1999
3 are provided solely to support additional upper-division and graduate
4 level enrollments at the Tacoma branch campus above the 1996-97
5 budgeted FTE level.

6 (3) \$593,000 of the general fund appropriation for fiscal year 1998
7 and \$1,547,000 of the general fund appropriation for fiscal year 1999
8 are provided solely to support additional upper-division and graduate
9 level enrollments at the Bothell branch campus above the 1996-97
10 budgeted FTE level.

11 (4) \$186,000 of the general fund appropriation for fiscal year 1998
12 and \$186,000 of the general fund appropriation for fiscal year 1999 are
13 provided solely for assessment of student outcomes.

14 (5) \$324,000 of the general fund appropriation for fiscal year 1998
15 and \$324,000 of the general fund appropriation for fiscal year 1999 are
16 provided solely to recruit and retain minority students and faculty.

17 (6) \$130,000 of the general fund appropriation for fiscal year 1998
18 and \$130,000 of the general fund appropriation for fiscal year 1999 are
19 provided solely for the implementation of the Puget Sound work plan
20 agency action item UW-01.

21 (7) \$1,200,000 of the general fund appropriation for fiscal year
22 1998 and \$1,200,000 of the general fund appropriation for fiscal year
23 1999 are provided solely for competitively offered faculty recruitment
24 and retention salary adjustments. The university shall provide a
25 report in their 1999-01 biennial operating budget request submittal on
26 the effective expenditure of funds for the purposes of this subsection.

27 (8) \$47,000 of the fiscal year 1998 general fund appropriation and
28 \$47,000 of the fiscal year 1999 general fund appropriation are provided
29 solely to employ a fossil preparator/educator in the Burke Museum. The
30 entire amounts provided in this subsection shall be provided directly
31 to the Burke Museum.

32 (9) \$75,000 of the general fund appropriation for fiscal year 1998
33 and \$75,000 of the general fund appropriation for fiscal year 1999 are
34 provided solely for enhancements to research capabilities at the
35 Olympic natural resources center.

36 (10) \$150,000 of the general fund appropriation for fiscal year
37 1999 is provided solely for remodeling and equipment necessary to
38 accommodate enrollment growth at the Bothell branch campus.

1 (11) \$560,000 of the general fund appropriation for fiscal year
2 1999 is provided solely for the disabilities, opportunities,
3 internetworking, and technology program.

4 (12) \$3,000,000 of the general fund appropriation for fiscal year
5 1999 is provided solely to establish a high speed internet-2 hub.

6 (13) \$150,000 of the general fund appropriation for fiscal year
7 1999 is provided solely to support the physicians assistant program in
8 Spokane.

9 (14) \$352,000 of the death investigations account appropriation is
10 provided solely for staff and equipment for the state toxicology
11 laboratory to support implementation of quality control procedures and
12 laboratory certification, and for enhanced screening of sexual assault
13 victims, blood alcohol and volatile intoxicants analysis, and blood
14 tests for marijuana in driving cases.

15 (15) \$74,000 of the general fund--state appropriation for fiscal
16 year 1999 is provided solely to pay the increased employer funding rate
17 resulting from the settlement in Burbage et al. v. State of Washington
18 (Thurston county superior court cause no. 94-2-02560-8), as referenced
19 in section 707(1)(c) of this act. If the stipulated settlement is not
20 approved by the court by August 1, 1998, the amount provided in this
21 subsection shall lapse.

22 (16) \$397,000 of the general fund--state appropriation for fiscal
23 year 1999 is provided solely to pay the increased employer funding rate
24 resulting from the settlement in Retired State Employees et al. v.
25 State of Washington (Thurston county superior court cause no. 92-2-
26 01294-1), as referenced in section 707(1)(d) of this act. If the
27 stipulated settlement is not approved by the court by August 1, 1998,
28 the amount provided in this subsection shall lapse.

29 **Sec. 605.** 1997 c 454 s 605 (uncodified) is amended to read as
30 follows:

31 **FOR WASHINGTON STATE UNIVERSITY**

32	General Fund Appropriation (FY 1998)	. . . . . \$	((166,644,000))
33			169,894,000
34	General Fund Appropriation (FY 1999)	. . . . . \$	((172,819,000))
35			171,125,000
36	Air Pollution Control Account Appropriation	. . . \$	206,000
37	TOTAL APPROPRIATION	. . . . . \$	((339,669,000))
38			341,225,000

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

3 (1) \$1,204,000 of the general fund appropriation for fiscal year
4 1998 and \$1,807,000 of the general fund appropriation for fiscal year
5 1999 shall be placed in reserve. The office of financial management
6 shall approve the allotment of amounts under this subsection upon
7 notification by the higher education coordinating board. These amounts
8 are provided for the preparation of plans and for the achievement of
9 measurable and specific improvements towards performance and
10 accountability goals as outlined in section 601(3) of this act.

11 (2) \$1,059,000 of the general fund appropriation for fiscal year
12 1999 is provided solely to support additional upper-division and
13 graduate level enrollments at the Vancouver branch campus above the
14 1996-97 budgeted FTE level.

15 (3) \$263,000 of the general fund appropriation for fiscal year 1998
16 and (~~(\$789,000)~~) \$263,000 of the general fund appropriation for fiscal
17 year 1999 are provided solely to support additional upper-division and
18 graduate level enrollments at the Tri-Cities branch campus above the
19 1996-97 budgeted FTE level.

20 (4) \$971,000 of the general fund appropriation for fiscal year 1999
21 is provided solely to support additional upper-division and graduate
22 level enrollments at the Spokane branch campus above the 1996-97
23 budgeted FTE level.

24 (5) \$186,000 of the general fund appropriation for fiscal year 1998
25 and \$186,000 of the general fund appropriation for fiscal year 1999 are
26 provided solely for assessment of student outcomes.

27 (6) \$140,000 of the general fund appropriation for fiscal year 1998
28 and \$140,000 of the general fund appropriation for fiscal year 1999 are
29 provided solely to recruit and retain minority students and faculty.

30 (7) \$157,000 of the general fund appropriation for fiscal year 1998
31 and \$157,000 of the general fund appropriation for fiscal year 1999 are
32 provided solely for the implementation of the Puget Sound work plan
33 agency action item WSU-01.

34 (8) \$600,000 of the general fund appropriation for fiscal year 1998
35 and \$600,000 of the general fund appropriation for fiscal year 1999 are
36 provided solely for competitively offered faculty recruitment and
37 retention salary adjustments. The university shall provide a report in
38 their 1999-01 biennial operating budget request submittal on the
39 effective expenditure of funds for the purposes of this subsection.

1 (9) \$50,000 of the general fund appropriation for fiscal year 1998
2 and \$50,000 of the general fund appropriation for fiscal year 1999 are
3 provided solely for yellow star thistle research.

4 (10) \$55,000 of the general fund appropriation for fiscal year 1998
5 and \$55,000 of the general fund appropriation for fiscal year 1999 are
6 provided solely for the Goldendale distance learning center.

7 (11) \$3,250,000 of the general fund appropriation for fiscal year
8 1998 is provided solely for legal costs and settlement payments
9 associated with construction claims for the Vancouver branch campus and
10 the veterinary teaching hospital capital projects.

11 (12) \$590,000 of the general fund appropriation for fiscal year
12 1999 is provided solely for the management of the Spokane riverpoint
13 campus as provided in Substitute Senate Bill No. 6655.

14 (13) \$100,000 of the fiscal year 1999 general fund appropriation is
15 provided solely for the aquatic animal health diagnostic center to
16 accommodate an unanticipated caseload increase.

17 (14) \$43,000 of the general fund--state appropriation for fiscal
18 year 1999 is provided solely to pay the increased employer funding rate
19 resulting from the settlement in *Burbage et al. v. State of Washington*
20 (Thurston county superior court cause no. 94-2-02560-8), as referenced
21 in section 707(1)(c) of this act. If the stipulated settlement is not
22 approved by the court by August 1, 1998, the amount provided in this
23 subsection shall lapse.

24 (15) \$228,000 of the general fund--state appropriation for fiscal
25 year 1999 is provided solely to pay the increased employer funding rate
26 resulting from the settlement in *Retired State Employees et al. v.*
27 *State of Washington* (Thurston county superior court cause no. 92-2-
28 01294-1), as referenced in section 707(1)(d) of this act. If the
29 stipulated settlement is not approved by the court by August 1, 1998,
30 the amount provided in this subsection shall lapse.

31 **Sec. 606.** 1997 c 454 s 606 (uncodified) is amended to read as
32 follows:

33 **FOR EASTERN WASHINGTON UNIVERSITY**

34	General Fund Appropriation (FY 1998)	. . . . . \$	39,211,000
35	General Fund Appropriation (FY 1999)	. . . . . \$	((39,489,000))
36			<u>39,563,000</u>
37	TOTAL APPROPRIATION	. . . . . \$	((78,700,000))
38			<u>78,774,000</u>

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

3 (1) \$285,000 of the general fund appropriation for fiscal year 1998
4 and \$428,000 of the general fund appropriation for fiscal year 1999
5 shall be placed in reserve. The office of financial management shall
6 approve the allotment of amounts under this subsection upon
7 notification by the higher education coordinating board. These amounts
8 are provided for the preparation of plans and for the achievement of
9 measurable and specific improvements towards performance and
10 accountability goals as outlined in section 601(3) of this act.

11 (2) \$186,000 of the general fund appropriation for fiscal year 1998
12 and \$186,000 of the general fund appropriation for fiscal year 1999 are
13 provided solely for assessment of student outcomes.

14 (3) \$93,000 of the general fund appropriation for fiscal year 1998
15 and \$93,000 of the general fund appropriation for fiscal year 1999 are
16 provided solely to recruit and retain minority students and faculty.

17 (4) \$53,000 of the general fund--state appropriation for fiscal
18 year 1998 and \$54,000 of the general fund--state appropriation for
19 fiscal year 1999 are provided solely for competitively offered faculty
20 recruitment and retention salary adjustments. The university shall
21 provide a report in their 1999-01 biennial operating budget request
22 submittal on the effective expenditure of funds for the purposes of
23 this subsection.

24 (5) \$3,188,000 of the general fund appropriation for fiscal year
25 1998 and \$3,188,000 of the general fund appropriation for fiscal year
26 1999 shall be placed in reserve pending attainment of budgeted
27 enrollments of 6,942 FTEs. The office of financial management shall
28 approve the allotment of funds under this subsection at the annual rate
29 of \$4,000 for annual student FTEs in excess of 6,942 based on tenth day
30 quarterly enrollment and the office of financial management's quarterly
31 budget driver report. In addition, allotments of reserve funds in this
32 section shall be approved by the office of financial management upon
33 approval by the higher education coordinating board for (a) actions
34 that will result in additional enrollment growth, and (b) contractual
35 obligations in fiscal year 1998 to the extent such funds are required.

36 (6) Pursuant to section 904 of this act and within current
37 appropriation levels, the waiver limit for Eastern Washington
38 University is increased from 11 percent to 14 percent during the 1997-
39 99 fiscal biennium. Eastern Washington University shall report by

1 December 15, 1998, to the appropriate committees of the legislature,
2 the office of financial management, and the higher education
3 coordinating board on its implementation of the increased waiver limit.

4 (7) \$12,000 of the general fund--state appropriation for fiscal
5 year 1999 is provided solely to pay the increased employer funding rate
6 resulting from the settlement in *Burbage et al. v. State of Washington*
7 (Thurston county superior court cause no. 94-2-02560-8), as referenced
8 in section 707(1)(c) of this act. If the stipulated settlement is not
9 approved by the court by August 1, 1998, the amount provided in this
10 subsection shall lapse.

11 (8) \$62,000 of the general fund--state appropriation for fiscal
12 year 1999 is provided solely to pay the increased employer funding rate
13 resulting from the settlement in *Retired State Employees et al. v.*
14 *State of Washington* (Thurston county superior court cause no. 92-2-
15 01294-1), as referenced in section 707(1)(d) of this act. If the
16 stipulated settlement is not approved by the court by August 1, 1998,
17 the amount provided in this subsection shall lapse.

18 **Sec. 607.** 1997 c 454 s 607 (uncodified) is amended to read as
19 follows:

20 **FOR CENTRAL WASHINGTON UNIVERSITY**

21	General Fund Appropriation (FY 1998)	. . . . . \$	((37,214,000))
22			<u>37,244,000</u>
23	General Fund Appropriation (FY 1999)	. . . . . \$	((38,616,000))
24			<u>38,749,000</u>
25	TOTAL APPROPRIATION	. . . . . \$	((75,830,000))
26			<u>75,993,000</u>

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

29 (1) \$269,000 of the general fund appropriation for fiscal year 1998
30 and \$403,000 of the general fund appropriation for fiscal year 1999
31 shall be placed in reserve. The office of financial management shall
32 approve the allotment of amounts under this subsection upon
33 notification by the higher education coordinating board. These amounts
34 are provided for the preparation of plans and for the achievement of
35 measurable and specific improvements towards performance and
36 accountability goals as outlined in section 601(3) of this act.

1 (2) \$186,000 of the general fund appropriation for fiscal year 1998
2 and \$186,000 of the general fund appropriation for fiscal year 1999 are
3 provided solely for assessment of student outcomes.

4 (3) \$70,000 of the general fund appropriation for fiscal year 1998
5 and \$70,000 of the general fund appropriation for fiscal year 1999 are
6 provided solely to recruit and retain minority students and faculty.

7 (4) \$51,000 of the general fund appropriation for fiscal year 1998
8 and \$51,000 of the general fund appropriation for fiscal year 1999 are
9 provided solely for competitively offered faculty recruitment and
10 retention salary adjustments. The college shall provide a report in
11 their 1999-01 biennial operating budget request submittal on the
12 effective expenditure of funds for the purposes of this subsection.

13 (5) \$11,000 of the general fund--state appropriation for fiscal
14 year 1999 is provided solely to pay the increased employer funding rate
15 resulting from the settlement in *Burbage et al. v. State of Washington*
16 (Thurston county superior court cause no. 94-2-02560-8), as referenced
17 in section 707(1)(c) of this act. If the stipulated settlement is not
18 approved by the court by August 1, 1998, the amount provided in this
19 subsection shall lapse.

20 (6) \$62,000 of the general fund--state appropriation for fiscal
21 year 1999 is provided solely to pay the increased employer funding rate
22 resulting from the settlement in *Retired State Employees et al. v.*
23 *State of Washington* (Thurston county superior court cause no. 92-2-
24 01294-1), as referenced in section 707(1)(d) of this act. If the
25 stipulated settlement is not approved by the court by August 1, 1998,
26 the amount provided in this subsection shall lapse.

27 **Sec. 608.** 1997 c 454 s 608 (uncodified) is amended to read as
28 follows:

29 **FOR THE EVERGREEN STATE COLLEGE**

30	General Fund Appropriation (FY 1998)	. . . . . \$	((20,151,000))
31			<u>20,401,000</u>
32	General Fund Appropriation (FY 1999)	. . . . . \$	((20,518,000))
33			<u>20,596,000</u>
34	TOTAL APPROPRIATION	. . . . . \$	((40,669,000))
35			<u>40,997,000</u>

36 The appropriations in this section is subject to the following
37 conditions and limitations:

1 (1) \$144,000 of the general fund appropriation for fiscal year 1998
2 and \$217,000 of the general fund appropriation for fiscal year 1999
3 shall be placed in reserve. The office of financial management shall
4 approve the allotment of amounts under this subsection upon
5 notification by the higher education coordinating board. These amounts
6 are provided for the preparation of plans and for the achievement of
7 measurable and specific improvements towards performance and
8 accountability goals as outlined in section 601(3) of this act.

9 (2) \$186,000 of the general fund appropriation for fiscal year 1998
10 and \$186,000 of the general fund appropriation for fiscal year 1999 are
11 provided solely for assessment of student outcomes.

12 (3) \$47,000 of the general fund appropriation for fiscal year 1998
13 and \$47,000 of the general fund appropriation for fiscal year 1999 are
14 provided solely to recruit and retain minority students and faculty.

15 (4) \$29,000 of the general fund appropriation for fiscal year 1998
16 and \$29,000 of the general fund appropriation for fiscal year 1999 are
17 provided solely for competitively offered faculty recruitment and
18 retention salary adjustments. The college shall provide a report in
19 their 1999-01 biennial operating budget request submittal on the
20 effective expenditure of funds for the purposes of this subsection.

21 (5) \$35,000 of the general fund appropriation for fiscal year 1999
22 is provided solely for the Washington institute for public policy to
23 conduct a study of college students' employment. The study shall
24 include, but need not be limited to, matching student enrollment
25 information with unemployment insurance information. The office of
26 financial management, higher education coordinating board, state board
27 for community and technical colleges, and the employment security
28 department shall assist the institute in the performance of the study.
29 Results of the study are to be reported to the legislature by January
30 15, 1999.

31 (6) \$250,000 of the general fund appropriation for fiscal year 1998
32 is provided solely for equipment and expenses necessary to accommodate
33 enrollment growth.

34 (7) \$7,000 of the general fund--state appropriation for fiscal year
35 1999 is provided solely to pay the increased employer funding rate
36 resulting from the settlement in *Burbage et al. v. State of Washington*
37 (Thurston county superior court cause no. 94-2-02560-8), as referenced
38 in section 707(1)(c) of this act. If the stipulated settlement is not

1 approved by the court by August 1, 1998, the amount provided in this
2 subsection shall lapse.

3 (8) \$36,000 of the general fund--state appropriation for fiscal
4 year 1999 is provided solely to pay the increased employer funding rate
5 resulting from the settlement in *Retired State Employees et al. v.*
6 *State of Washington* (Thurston county superior court cause no. 92-2-
7 01294-1), as referenced in section 707(1)(d) of this act. If the
8 stipulated settlement is not approved by the court by August 1, 1998,
9 the amount provided in this subsection shall lapse.

10 **Sec. 609.** 1997 c 454 s 609 (uncodified) is amended to read as
11 follows:

12 **FOR WESTERN WASHINGTON UNIVERSITY**

13	General Fund Appropriation (FY 1998)	. . . . . \$	47,822,000
14	General Fund Appropriation (FY 1999)	. . . . . \$	((48,855,000))
15			<u>48,951,000</u>
16	TOTAL APPROPRIATION	. . . . . \$	((96,677,000))
17			<u>96,773,000</u>

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

20 (1) \$342,000 of the general fund appropriation for fiscal year 1998
21 and \$514,000 of the general fund appropriation for fiscal year 1999
22 shall be placed in reserve. The office of financial management shall
23 approve the allotment of amounts under this subsection upon
24 notification by the higher education coordinating board. These amounts
25 are provided for the preparation of plans and for the achievement of
26 measurable and specific improvements towards performance and
27 accountability goals as outlined in section 601(3) of this act.

28 (2) \$186,000 of the general fund appropriation for fiscal year 1998
29 and \$186,000 of the general fund appropriation for fiscal year 1999 are
30 provided solely for assessment of student outcomes.

31 (3) \$93,000 of the general fund appropriation for fiscal year 1998
32 and \$93,000 of the general fund appropriation for fiscal year 1999 are
33 provided solely to recruit and retain minority students and faculty.

34 (4) \$66,000 of the general fund appropriation for fiscal year 1998
35 and \$67,000 of the general fund appropriation for fiscal year 1999 are
36 provided solely for competitively offered faculty recruitment and
37 retention salary adjustments. The university shall provide a report

1 in their 1999-01 biennial operating budget request submittal on the
2 effective expenditure of funds for the purposes of this subsection.

3 (5) \$15,000 of the general fund--state appropriation for fiscal
4 year 1999 is provided solely to pay the increased employer funding rate
5 resulting from the settlement in *Burbage et al. v. State of Washington*
6 (Thurston county superior court cause no. 94-2-02560-8), as referenced
7 in section 707(1)(c) of this act. If the stipulated settlement is not
8 approved by the court by August 1, 1998, the amount provided in this
9 subsection shall lapse.

10 (6) \$81,000 of the general fund--state appropriation for fiscal
11 year 1999 is provided solely to pay the increased employer funding rate
12 resulting from the settlement in *Retired State Employees et al. v.*
13 *State of Washington* (Thurston county superior court cause no. 92-2-
14 01294-1), as referenced in section 707(1)(d) of this act. If the
15 stipulated settlement is not approved by the court by August 1, 1998,
16 the amount provided in this subsection shall lapse.

17 **Sec. 610.** 1997 c 454 s 610 (uncodified) is amended to read as
18 follows:

19 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
20 **ADMINISTRATION**

21	General Fund--State Appropriation (FY 1998)	\$((2,734,000))
22		<u>2,809,000</u>
23	General Fund--State Appropriation (FY 1999)	\$((2,615,000))
24		<u>3,604,000</u>
25	General Fund--Federal Appropriation	\$ ((693,000))
26		<u>704,000</u>
27	TOTAL APPROPRIATION	\$((6,042,000))
28		<u>7,117,000</u>

29 The appropriations in this section are provided to carry out the
30 accountability, performance measurement, policy coordination, planning,
31 studies and administrative functions of the board and are subject to
32 the following conditions and limitations:

33 (1) The board shall set performance targets, review, recommend
34 changes if necessary, and approve plans defined in section 601(3)(a) of
35 this act for achieving measurable and specific improvements in academic
36 years 1997-98 and 1998-99. By October 1, 1997, the board shall notify
37 the office of financial management to allot institutions' fiscal year

1 1998 performance funds held in reserve, based upon the adequacy of
2 plans prepared by the institutions.

3 (2) The board shall develop criteria to assess institutions'
4 performance and shall use those criteria in determining the allotment
5 of performance and accountability funds. The board shall evaluate each
6 institution's achievement of performance targets for the 1997-98
7 academic year and, by ~~((August 1))~~ November 15, 1998, the board shall
8 notify the office of financial management to allot institutions' fiscal
9 year 1999 performance funds held in reserve, based upon each
10 institution's performance ~~((, except for performance funds held for
11 achievement of the student retention measure. For the student
12 retention measure, the board shall notify the office of financial
13 management by November 1, 1998, to allot institutions' fiscal year 1999
14 performance funds held in reserve, based upon each institution's
15 performance))~~.

16 (3) By January, 1999, the board shall recommend to the office of
17 financial management and appropriate legislative committees any
18 recommended additions, deletions, or revisions to the performance and
19 accountability measures in sections 601(3) of this act as part of the
20 next master plan for higher education. The recommendations shall be
21 developed in consultation with the institutions of higher education and
22 may include additional performance indicators to measure successful
23 student learning and other student outcomes for possible inclusion in
24 the 1999-01 operating budget. The recommendations shall include
25 measures of performance demonstrating specific and measurable
26 improvements related to distance education and education provided
27 primarily through technology, to be determined by the board, in
28 consultation with the institutions of higher education.

29 (4) \$280,000 of the general fund--state appropriation for fiscal
30 year 1998 and \$280,000 of the general fund--state appropriation for
31 fiscal year 1999 are provided solely for enrollment to implement RCW
32 28B.80.570 through 28B.80.585 (rural natural resources impact areas).
33 The number of students served shall be 50 full-time equivalent students
34 per fiscal year. The board shall ensure that enrollments reported
35 under this subsection meet the criteria outlined in RCW 28B.80.570
36 through 28B.80.585.

37 (5) \$70,000 of the general fund--state appropriation for fiscal
38 year 1998 and \$70,000 of the general fund--state appropriation for
39 fiscal year 1999 are provided to develop a competency based admissions

1 system for higher education institutions. The board shall complete the
2 competency based admissions system and issue a report outlining the
3 competency based admissions system by January 1999.

4 (6) \$500,000 of the general fund--state appropriation for fiscal
5 year 1998 and \$500,000 of the general fund--state appropriation for
6 fiscal year 1999 are provided solely for activities related to higher
7 education facilities planning, project monitoring, and access issues
8 related to capital facilities. Of this amount, \$50,000 is provided for
9 a study of higher education needs of Okanogan county and surrounding
10 communities with consideration given to alternative approaches to
11 educational service delivery, facility expansion, relocation or
12 partnership, and long-term growth and future educational demands of the
13 region.

14 (7) \$150,000 of the general fund--state appropriation for fiscal
15 year 1998 is provided solely as one-time funding for computer upgrades.

16 (8) \$75,000 of the general fund--state appropriation for fiscal
17 year 1998 and \$175,000 of the general fund--state appropriation for
18 fiscal year 1999 are provided solely to conduct a higher education and
19 economic assessment of the Spokane area as described in Substitute
20 Senate Bill No. 6655.

21 (9) \$810,000 of the general fund--state appropriation for fiscal
22 year 1999 is provided solely to complete the cooperative library
23 project for the four-year public higher education institutions. Funds
24 shall be transferred to the University of Washington for one-time
25 equipment acquisition, ongoing support of the system, and acquisition
26 of shared electronic journals for use by all the member institutions.

27 (10) \$1,000 of the general fund--state appropriation for fiscal
28 year 1999 is provided solely to pay the increased employer funding rate
29 resulting from the settlement in *Burbage et al. v. State of Washington*
30 (Thurston county superior court cause no. 94-2-02560-8), as referenced
31 in section 707(1)(c) of this act. If the stipulated settlement is not
32 approved by the court by August 1, 1998, the amount provided in this
33 subsection shall lapse.

34 (11) \$3,000 of the general fund--state appropriation for fiscal
35 year 1999 is provided solely to pay the increased employer funding rate
36 resulting from the settlement in *Retired State Employees et al. v.*
37 *State of Washington* (Thurston county superior court cause no. 92-2-
38 01294-1), as referenced in section 707(1)(d) of this act. If the

1 stipulated settlement is not approved by the court by August 1, 1998,
2 the amount provided in this subsection shall lapse.

3 **Sec. 611.** 1997 c 454 s 611 (uncodified) is amended to read as
4 follows:

5 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**
6 **PROGRAMS**

7	General Fund--State Appropriation (FY 1998) . . . \$	((89,369,000))
8		<u>89,606,000</u>
9	General Fund--State Appropriation (FY 1999) . . . \$	((96,209,000))
10		<u>97,232,000</u>
11	General Fund--Federal Appropriation \$	((8,255,000))
12		<u>8,278,000</u>
13	<u>Advanced College Tuition Payment Program Account</u>	
14	<u>Appropriation</u> \$	<u>1,198,000</u>
15	TOTAL APPROPRIATION \$	((193,833,000))
16		<u>196,314,000</u>

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

19 (1) \$527,000 of the general fund--state appropriation for fiscal
20 year 1998 and \$526,000 of the general fund--state appropriation for
21 fiscal year 1999 are provided solely for the displaced homemakers
22 program.

23 (2) \$216,000 of the general fund--state appropriation for fiscal
24 year 1998 and \$220,000 of the general fund--state appropriation for
25 fiscal year 1999 are provided solely for the western interstate
26 commission for higher education.

27 (3) \$118,000 of the general fund--state appropriation for fiscal
28 year 1998 and \$118,000 of the general fund--state appropriation for
29 fiscal year 1999 are provided solely for the health personnel resources
30 plan.

31 (4) \$1,000,000 of the general fund--state appropriation for fiscal
32 year 1998 and \$1,000,000 of the general fund--state appropriation for
33 fiscal year 1999 are provided solely for the scholarships and loans
34 program under chapter 28B.115 RCW, the health professional conditional
35 scholarship program. This amount shall be deposited to the health
36 professional loan repayment and scholarship trust fund to carry out the
37 purposes of the program.

1 (5) \$86,783,000 of the general fund--state appropriation for fiscal
2 year 1998 and \$93,728,000 of the general fund--state appropriation for
3 fiscal year 1999 are provided solely for student financial aid,
4 including all administrative costs. The amounts in (a), (b), and (c)
5 of this subsection are sufficient to implement Second Substitute House
6 Bill No. 1851 (higher education financial aid). Of these amounts:

7 (a) \$67,266,000 of the general fund--state appropriation for fiscal
8 year 1998 and \$73,968,000 of the general fund--state appropriation for
9 fiscal year 1999 are provided solely for the state need grant program.
10 ((+ii)) After April 1 of each fiscal year, up to one percent of the
11 annual appropriation for the state need grant program may be
12 transferred to the state work study program.

13 (b) \$15,350,000 of the general fund--state appropriation for fiscal
14 year 1998 and \$15,350,000 of the general fund--state appropriation for
15 fiscal year 1999 are provided solely for the state work study program.
16 After April 1 of each fiscal year, up to one percent of the annual
17 appropriation for the state work study program may be transferred to
18 the state need grant program;

19 (c) \$2,420,000 of the general fund--state appropriation for fiscal
20 year 1998 and \$2,420,000 of the general fund--state appropriation for
21 fiscal year 1999 are provided solely for educational opportunity
22 grants. For the purpose of establishing eligibility for the equal
23 opportunity grant program for placebound students under RCW
24 28B.101.020, Thurston county lies within the branch campus service area
25 of the Tacoma branch campus of the University of Washington;

26 (d) A maximum of 2.1 percent of the general fund--state
27 appropriation for fiscal year 1998 and 2.1 percent of the general
28 fund--state appropriation for fiscal year 1999 may be expended for
29 financial aid administration, excluding the four percent state work
30 study program administrative allowance provision;

31 (e) \$230,000 of the general fund--state appropriation for fiscal
32 year 1998 and \$201,000 of the general fund--state appropriation for
33 fiscal year 1999 are provided solely for the educator's excellence
34 awards. Any educator's excellence moneys not awarded by April 1st of
35 each year may be transferred by the board to either the Washington
36 scholars program or, in consultation with the workforce training and
37 education coordinating board, to the Washington award for vocational
38 excellence;

1 (f) \$1,011,000 of the general fund--state appropriation for fiscal
2 year 1998 and \$1,265,000 of the general fund--state appropriation for
3 fiscal year 1999 are provided solely to implement the Washington
4 scholars program. Any Washington scholars program moneys not awarded
5 by April 1st of each year may be transferred by the board to either the
6 educator's excellence awards or, in consultation with the workforce
7 training and education coordinating board, to the Washington award for
8 vocational excellence;

9 (g) \$456,000 of the general fund--state appropriation for fiscal
10 year 1998 and \$474,000 of the general fund--state appropriation for
11 fiscal year 1999 are provided solely to implement Washington award for
12 vocational excellence program. Any Washington award for vocational
13 program moneys not awarded by April 1st of each year may be transferred
14 by the board to either the educator's excellence awards or the
15 Washington scholars program;

16 (h) \$51,000 of the general fund--state appropriation for fiscal
17 year 1998 and \$51,000 of the general fund--state appropriation for
18 fiscal year 1999 are provided solely for community scholarship matching
19 grants of \$2,000 each. To be eligible for the matching grant, a
20 nonprofit community organization organized under section 501(c)(3) of
21 the internal revenue code must demonstrate that it has raised \$2,000 in
22 new moneys for college scholarships after the effective date of this
23 act. No organization may receive more than one \$2,000 matching grant;
24 and

25 ~~(6) ((\$175,000 of the general fund--state appropriation for fiscal~~
26 ~~year 1998 and \$175,000 of the general fund--state appropriation for~~
27 ~~fiscal year 1999 are provided solely to implement Engrossed Second~~
28 ~~Substitute House Bill No. 1372 or Second Substitute Senate Bill No.~~
29 ~~5106 (Washington advanced college tuition payment program). If neither~~
30 ~~Engrossed Second Substitute House Bill No. 1372 nor Second Substitute~~
31 ~~Senate Bill No. 5106 is enacted by June 30, 1997, the amounts provided~~
32 ~~in this subsection shall lapse.))~~ \$412,000 of the general fund--state
33 appropriation for fiscal year 1998 and \$1,198,000 of the general fund--
34 state appropriation for fiscal year 1999 are provided solely for
35 working capital for the advanced tuition payment program. The funds
36 provided in this subsection may be expended only to the extent that
37 revenue from application fees and interest earnings deposited in the
38 advanced college tuition payment program account are insufficient to
39 support program operation. Prior to the end of fiscal year 1999,

1 expenditures shall be transferred between funds to the extent that
2 program application fees and interest earnings are available to
3 minimize the expenditure from the general fund.

4 (7) \$187,000 of the general fund--state appropriation for fiscal
5 year 1998 and \$188,000 of the general fund--state appropriation for
6 fiscal year 1999 are provided solely for a demonstration project in the
7 1997-99 biennium to provide undergraduate fellowships based upon the
8 graduate fellowship program.

9 (8) Funding is provided in this section for the development of
10 three models for tuition charges for distance learning programs.
11 Institutions involved in distance education or extended learning shall
12 provide information to the board on the usage, cost, and revenue
13 generated by such programs.

14 **Sec. 612.** 1997 c 149 s 612 (uncodified) is amended to read as
15 follows:

16 **FOR THE JOINT CENTER FOR HIGHER EDUCATION**

17	General Fund Appropriation (FY 1998)	\$	1,469,000
18	((General Fund Appropriation (FY 1999)	\$	1,470,000))
19	TOTAL APPROPRIATION	\$	((2,939,000))
20			<u>1,469,000</u>

21 **Sec. 613.** 1997 c 149 s 614 (uncodified) is amended to read as
22 follows:

23 **FOR WASHINGTON STATE LIBRARY**

24	General Fund--State Appropriation (FY 1998) . . .	\$	((7,483,000))
25			<u>7,533,000</u>
26	General Fund--State Appropriation (FY 1999) . . .	\$	((7,281,000))
27			<u>7,631,000</u>
28	General Fund--Federal Appropriation	\$	((4,847,000))
29			<u>6,817,000</u>
30	TOTAL APPROPRIATION	\$	((19,611,000))
31			<u>21,981,000</u>

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

34 (1) At least \$2,524,000 shall be expended for a contract with the
35 Seattle public library for library services for the Washington book and
36 braille library.

1 (2) \$198,000 of the general fund--state appropriation for fiscal
2 year 1998 (~~is~~) and \$200,000 of the general fund--state appropriation
3 for fiscal year 1999 are provided solely for the state library to
4 continue the government information locator service in accordance with
5 chapter 171, Laws of 1996. The state library, in consultation with
6 interested parties, shall prepare an evaluation of the government
7 information locator service by October 1, 1997. The evaluation shall
8 include a cost-benefit analysis, a determination of fiscal impacts to
9 the state, and programmatic information. The evaluation report shall
10 be provided to the appropriate legislative fiscal committees.

11 (3) \$100,000 of the general fund--state appropriation for fiscal
12 year 1999 is provided solely for enhancement of the state library's
13 collection.

14 **Sec. 614.** 1997 c 149 s 616 (uncodified) is amended to read as
15 follows:

16 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

17	General Fund Appropriation (FY 1998)	. . . . .	\$((2,502,000))
18			<u>2,658,000</u>
19	General Fund Appropriation (FY 1999)	. . . . .	\$((2,531,000))
20			<u>2,745,000</u>
21	TOTAL APPROPRIATION	. . . . .	\$((5,033,000))
22			<u>5,403,000</u>

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

25 (1) \$216,200 of the general fund appropriation for fiscal year 1998
26 and \$216,200 of the general fund appropriation for fiscal year 1999 are
27 provided solely for exhibit and educational programming.

28 (2) \$156,000 of the general fund appropriation for fiscal year 1998
29 and \$164,000 of the general fund appropriation for fiscal year 1999 are
30 provided solely for the temporary relocation of research center
31 operations.

32 (3) \$50,000 of the general fund appropriation for fiscal year 1999
33 is provided solely for activities related to the Lewis and Clark
34 Bicentennial.

35 **Sec. 615.** 1997 c 149 s 618 (uncodified) is amended to read as
36 follows:

37 **FOR THE STATE SCHOOL FOR THE BLIND**

1	General Fund--State Appropriation (FY 1998)	\$((3,714,000))
2		<u>3,723,000</u>
3	General Fund--State Appropriation (FY 1999)	\$((3,738,000))
4		<u>3,747,000</u>
5	General Fund--Private/Local Appropriation	\$ ((192,000))
6		<u>418,000</u>
7	TOTAL APPROPRIATION	\$((7,644,000))
8		<u>7,888,000</u>

9 **Sec. 616.** 1997 c 149 s 619 (uncodified) is amended to read as
10 follows:

11 **FOR THE STATE SCHOOL FOR THE DEAF**

12	General Fund Appropriation (FY 1998)	\$ ((6,458,000))
13		<u>6,467,000</u>
14	General Fund Appropriation (FY 1999)	\$ ((6,459,000))
15		<u>6,468,000</u>
16	TOTAL APPROPRIATION	\$ ((12,917,000))
17		<u>12,935,000</u>

18 (End of part)

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 1997 c 149 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 GENERAL FUND BOND DEBT

General Fund Appropriation (FY 1998)	\$ ((447,283,000))
	<u>448,355,000</u>
General Fund Appropriation (FY 1999)	\$ ((485,077,000))
	<u>484,005,000</u>
General Fund Bonds Subject to the Limit Bond	
Retirement Account Appropriation	\$ 932,360,000
TOTAL APPROPRIATION	\$1,864,720,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the general fund bonds subject to the limit bond retirement account.

Sec. 702. 1997 c 149 s 703 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund Appropriation (FY 1998)	\$ ((23,096,000))
	<u>23,186,000</u>
General Fund Appropriation (FY 1999)	\$ ((25,603,000))
	<u>25,642,000</u>
General Fund Bonds Excluded from the Limit	
Bond Retirement Account Appropriation	\$ ((48,699,000))
	<u>48,828,000</u>
Reimbursable Bonds Excluded from the Limit Bond	
Retirement Account Appropriation	\$ 104,933,000
Reimbursable Bonds Subject to the Limit Bond	
Retirement Account Appropriation	\$ ((402,000))
	<u>2,264,000</u>
TOTAL APPROPRIATION	\$ ((202,733,000))

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The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the general fund bonds excluded from the limit bond retirement account.

Sec. 703. 1997 c 149 s 705 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund Appropriation (FY 1998)	. . . . . \$	475,000
General Fund Appropriation (FY 1999)	. . . . . \$	475,000
Higher Education Construction Account		
Appropriation	. . . . . \$	((215,000))
		<u>440,000</u>
State Building Construction Account		
Appropriation	. . . . . \$	((6,374,000))
		<u>7,683,000</u>
Public Safety Reimbursable Bond Account		
Appropriation	. . . . . \$	((8,000))
		<u>23,000</u>
TOTAL APPROPRIATION	. . . . . \$	((7,547,000))
		<u>9,096,000</u>

Total Bond Retirement and Interest Appropriations contained in sections 701 through 705 of this act \$ ((2,121,748,000))
2,125,417,000

Sec. 704. 1997 c 149 s 710 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 ALLOCATIONS

General Fund--State Appropriation (FY 1998)	. . . \$	3,380,000
General Fund--State Appropriation (FY 1999)	. . . \$	1,960,000
General Fund--Federal Appropriation	. . . . . \$	2,883,000
Liquor Revolving Account Appropriation	. . . . . \$	131,000
Health Care Authority Administrative Account		
Appropriation	. . . . . \$	631,000
Accident Account Appropriation	. . . . . \$	1,102,000

1	Medical Aid Account Appropriation	\$	1,102,000
2	Unemployment Compensation Administration Account--		
3	Federal Appropriation	\$	1,313,000
4	(Administrative Contingency Account		
5	Appropriation	\$	948,000)
6	Employment Services Administrative Account		
7	Appropriation	\$	((500,000))
8			<u>461,000</u>
9	Forest Development Account Appropriation	\$	156,000
10	Off Road Vehicle Account Appropriation	\$	7,000
11	Surveys and Maps Account Appropriation	\$	1,000
12	Aquatic Lands Enhancement Account Appropriation	\$	8,000
13	Resource Management Cost Account Appropriation	\$	348,000
14	TOTAL APPROPRIATION	\$	((14,470,000))
15			<u>8,143,000</u>

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

18 (1) The appropriations will be allocated by the office of financial
19 management to agencies to complete Year 2000 date conversion
20 maintenance on their computer systems. Agencies shall submit their
21 estimated costs of conversion to the office of financial management by
22 July 1, 1997.

23 (2) Up to \$10,000,000 of the cash balance of the data processing
24 revolving account may be expended on agency Year 2000 date conversion
25 costs. The \$10,000,000 will be taken from the cash balances of the
26 data processing revolving account's two major users, as follows:
27 \$7,000,000 from the department of information services and \$3,000,000
28 from the office of financial management. The office of financial
29 management in consultation with the department of information services
30 shall allocate these funds as needed to complete the date conversion
31 projects.

32 (3) Agencies receiving these allocations shall report at a minimum
33 to the information services board and to the governor every six months
34 on the progress of Year 2000 maintenance efforts.

35 NEW SECTION. **Sec. 705.** A new section is added to 1997 c 149
36 (uncodified) to read as follows:

37 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 CONVERSION**

38	General Fund Appropriation (FY 1998)	\$	233,000
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1	General Fund Appropriation (FY 1999)	\$	33,000
2	Hospital Commission Account Appropriation	\$	115,000
3	Architects' License Account Appropriation	\$	3,000
4	Professional Engineers' Account Appropriation	\$	9,000
5	Real Estate Commission Account Appropriation	\$	24,000
6	Health Professions Account Appropriation	\$	275,000
7	Master License Account Appropriation	\$	70,000
8	Safe Drinking Water Account Appropriation	\$	50,000
9	Uniform Commercial Code Account Appropriation	\$	11,000
10	Unemployment Compensation Administration Account--		
11	Federal Appropriation	\$	3,245,000
12	Department of Retirement Systems Expense Account		
13	Appropriation	\$	890,000
14	Health Services Account Appropriation	\$	254,000
15	TOTAL APPROPRIATION	\$	5,212,000

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

18 (1) The appropriations will be allocated by the office of financial
19 management to agencies to perform Year 2000 date conversion maintenance
20 on their computer systems and are provided solely for these purposes.

21 (2) Agencies receiving these allocations shall report at a minimum
22 to the information services board and to the governor every six months
23 on the progress of Year 2000 maintenance efforts.

24 NEW SECTION. **Sec. 706.** A new section is added to 1997 c 149
25 (uncodified) to read as follows:

26	FOR THE OFFICE OF FINANCIAL MANAGEMENT--YEAR 2000 CONTINGENCY POOL		
27	General Fund Appropriation (FY 1998)	\$	800,000
28	General Fund Appropriation (FY 1999)	\$	4,200,000
29	Year 2000 Contingency Revolving Account		
30	Appropriation	\$	5,000,000
31	TOTAL APPROPRIATION	\$	10,000,000

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

34 (1) The appropriations will be allocated by the office of financial
35 management, in consultation with the department of information systems,
36 to agencies to perform Year 2000 maintenance on their computer systems
37 and are provided solely for these purposes.

1 (2) To facilitate the transfer of moneys from dedicated funds and
2 accounts, the state treasurer is directed to transfer sufficient moneys
3 from each dedicated fund or account to the Year 2000 contingency
4 revolving account, hereby created in the state treasury, in accordance
5 with schedules provided by the office of financial management for
6 additional Year 2000 maintenance on their computer systems.

7 (3) All agencies that receive these allocations will report upon
8 request throughout the biennium to the information services board and
9 to the governor on the progress of Year 2000 maintenance efforts.

10 **Sec. 707.** 1997 c 149 s 712 (uncodified) is amended to read as
11 follows:

12 **FOR THE GOVERNOR--COMPENSATION--INSURANCE BENEFITS**

13 General Fund--State Appropriation (FY 1998) . . . \$	823,000
14 General Fund--State Appropriation (FY 1999) . . . \$	((6,257,000))
15	<u>8,355,000</u>
16 General Fund--Federal Appropriation \$	((2,431,000))
17	<u>3,152,000</u>
18 General Fund--Private/Local Appropriation \$	((146,000))
19	<u>190,000</u>
20 Salary and Insurance Increase Revolving Account	
21 Appropriation \$	((5,465,000))
22	<u>7,081,000</u>
23 TOTAL APPROPRIATION \$	((15,122,000))
24	<u>19,601,000</u>

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

27 (1)(a) The monthly ((contribution)) employer funding rate for
28 insurance benefit premiums shall not exceed \$312.35 per eligible
29 employee for fiscal year 1998, and \$331.31 for fiscal year 1999.

30 (b) The monthly ((contribution)) employer funding rate for the
31 operating costs of the health care authority shall not exceed \$4.99 per
32 eligible employee for fiscal year 1998, and (((\$4.44)) \$4.67 for fiscal
33 year 1999.

34 (c) An additional \$1.12 per eligible employee shall be included in
35 the employer funding rate for fiscal year 1999 to increase life
36 insurance coverage in accordance with the stipulated settlement in
37 Burbage et al. v. State of Washington (Thurston county superior court
38 cause no. 94-2-02560-8). \$330,000 of the fiscal year 1999 general

1 fund--state appropriation, \$113,000 of the general fund--federal
2 appropriation, \$7,000 of the general fund--private/local appropriation,
3 and \$254,000 of the salary and insurance increase revolving account
4 appropriation are provided solely for the additional \$1.12 employer
5 funding rate. If the stipulated settlement is not approved by August
6 1, 1998, these amounts shall lapse.

7 (d) An additional \$5.77 per eligible employee shall be included in
8 the employer funding rate for fiscal year 1999 to begin repaying the
9 public employees' and retirees' insurance account for any claims paid
10 as a result of a court-approved stipulated settlement in *Retired State*
11 *Employees et al. v. State of Washington* (Thurston county superior court
12 cause no. 92-2-01294-1). \$1,768,000 of the fiscal year 1999 general
13 fund--state appropriation, \$608,000 of the general fund--federal
14 appropriation, \$37,000 of the general fund--private/local
15 appropriation, and \$1,362,000 of the salary and insurance increase
16 revolving account appropriation are provided solely for the additional
17 \$5.77 employer funding rate. If the stipulated settlement is not
18 approved by August 1, 1998, these amounts shall lapse.

19 (e) Surplus moneys accruing to the public employees' and retirees'
20 insurance account due to lower-than-projected insurance costs may not
21 be reallocated by the health care authority to increase the actuarial
22 value of public employee insurance plans. Such funds shall be held in
23 reserve in the public employees' and retirees' insurance account and
24 may not be expended without prior legislative authorization.

25 ((~~d~~)) (f) In order to achieve the level of funding provided for
26 health benefits, the public employees' benefits board may require
27 employee premium co-payments, increase point-of-service cost sharing,
28 and/or implement managed competition.

29 (2) To facilitate the transfer of moneys from dedicated funds and
30 accounts, the state treasurer is directed to transfer sufficient moneys
31 from each dedicated fund or account to the special fund salary and
32 insurance contribution increase revolving fund in accordance with
33 schedules provided by the office of financial management.

34 (3) The health care authority, subject to the approval of the
35 public employees' benefits board, shall provide subsidies for health
36 benefit premiums to eligible retired or disabled public employees and
37 school district employees who are eligible for parts A and B of
38 medicare, pursuant to RCW 41.05.085. From January 1, 1998, through

1 December 31, 1998, the subsidy shall be \$41.26 per month. Starting
2 January 1, 1999, the subsidy shall be \$43.16 per month.

3 (4) Technical colleges, school districts, and educational service
4 districts shall remit to the health care authority for deposit in the
5 public employees' and retirees' insurance account established in RCW
6 41.05.120:

7 (a) For each full-time employee, \$14.80 per month beginning
8 September 1, 1997;

9 (b) For each part-time employee who, at the time of the remittance,
10 is employed in an eligible position as defined in RCW 41.32.010 or
11 41.40.010 and is eligible for employer fringe benefit contributions for
12 basic benefits, \$14.80 each month beginning September 1, 1997, prorated
13 by the proportion of employer fringe benefit contributions for a full-
14 time employee that the part-time employee receives.

15 The remittance requirements specified in this subsection shall not
16 apply to employees of a technical college, school district, or
17 educational service district who purchase insurance benefits through
18 contracts with the health care authority.

19 (5) The salary and insurance increase revolving account
20 appropriation includes amounts sufficient to fund health benefits for
21 ferry workers at the premium levels specified in subsection (1) of this
22 section, consistent with the 1997-99 transportation appropriations act.

23 NEW SECTION. **Sec. 708.** A new section is added to 1997 c 149
24 (uncodified) to read as follows:

25 **FOR THE STATE TREASURER--FOR THE PUBLIC EMPLOYEES' AND RETIREES'**
26 **INSURANCE ACCOUNT**

27 Pension Funding Account Appropriation (FY 1998) . . . \$ 25,000,000

28 The appropriation in this section shall be deposited in the public
29 employees' and retirees' insurance account and is provided solely to
30 pay claims resulting from a court-approved stipulated agreement in
31 *Retired State Employees et al. v. State of Washington* (Thurston county
32 superior court cause no. 92-2-01294-1).

33 NEW SECTION. **Sec. 709.** A new section is added to 1997 c 149
34 (uncodified) to read as follows:

35 **COMMUNITY AND TECHNICAL COLLEGES CAPITAL PROJECTS ACCOUNT**

36 General Fund Appropriation (FY 1999) \$ 5,200,000

1 The appropriation in this section is provided solely for deposit in
2 the community and technical colleges capital projects account.

3 **Sec. 710.** 1997 c 454 s 704 (uncodified) is amended to read as
4 follows:

5 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMPENSATION ACTIONS OF**
6 **PERSONNEL RESOURCES BOARD**

7	General Fund-- <u>State</u> Appropriation (FY 1998)	\$	5,289,000
8	General Fund-- <u>State</u> Appropriation (FY 1999)	\$	10,642,000
9	<u>General Fund--Federal Appropriation</u>	\$	<u>2,777,000</u>
10	Salary and Insurance Increase Revolving		
11	Account Appropriation	\$	((8,862,000))
12			<u>6,085,000</u>
13	TOTAL APPROPRIATION	\$	24,793,000

14 The appropriations in this section shall be expended solely for the
15 purposes designated in this section and are subject to the conditions
16 and limitations in this section.

17 (1) Funding is provided to fully implement the recommendations of
18 the Washington personnel resources board consistent with the provisions
19 of chapter 319, Laws of 1996.

20 (2) Implementation of the salary adjustments for the various
21 clerical classes, physicians, dental classifications, pharmacists,
22 maintenance custodians, medical records technicians, fish/wildlife
23 biologists, fish/wildlife enforcement, habitat technicians, and fiscal
24 technician classifications will be effective July 1, 1997.
25 Implementation of the salary adjustments for safety classifications,
26 park rangers, park aides, correctional officers/sergeants, community
27 corrections specialists, tax information specialists, industrial
28 relations specialists, electrical classifications at the department of
29 labor and industries, fingerprint technicians, some labor relations
30 classifications, health benefits specialists, foresters/land managers,
31 and liquor enforcement officers will be effective July 1, 1998.

32 NEW SECTION. **Sec. 711. LEOFF RETIREMENT STUDY.** The joint
33 committee on pension policy shall study (1) providing additional
34 benefits to members of the law enforcement officers' and fire fighters'
35 plan II retirement system and funding those benefit increases through
36 the member contribution rate rather than the state and employer
37 contribution rates, and (2) creating a new law enforcement officers'

1 and fire fighters' retirement plan that includes a defined benefit
2 portion and a defined contribution portion. The joint committee on
3 pension policy shall report its findings to the legislature by January
4 15, 1999.

5 NEW SECTION. **Sec. 712.** A new section is added to 1997 c 149
6 (uncodified) to read as follows:

7 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may
8 be necessary, are appropriated from the general fund, unless otherwise
9 indicated, for relief of various individuals, firms, and corporations
10 for sundry claims. These appropriations are to be disbursed on
11 vouchers approved by the director of general administration, except as
12 otherwise provided, as follows:

13 (1) Reimbursement of criminal defendants acquitted on the basis of
14 self-defense, pursuant to RCW 9A.16.110:

15	(a) Steven M. Lauritz, claim number SCJ 97-11	\$ 2,534
16	(b) George Greenland, claim number SCJ 97-13	\$ 16,235
17	(c) Edwin H. Evans, claim number SCJ 97-14	\$ 3,997
18	(d) Bryan E. Vance, claim number SCJ 97-16	\$ 14,866
19	(e) Jesse L. Smith, claim number SCJ 97-17	\$ 23,027
20	(f) Thomas N. Klein, claim number SCJ 97-18	\$ 14,338
21	(g) John F. Richards, claim number SCJ 97-19	\$ 7,335
22	(h) Anthony C. Otto, claim number SCJ 97-09	\$ 16,962
23	(i) Eric C. Swanson, claim number SCJ 97-21	\$ 86,152
24	(j) Mark J. Campbell, claim number SCJ 98-01	\$ 7,218

25 (2) Payment from the state wildlife account for damage to crops by
26 wildlife, pursuant to RCW 77.36.040:

27	(a) D.F. Spurgeon, claim number SCG 97-03	\$ 980
28	(b) Kenneth Kunes, claim number SCG 97-06	\$ 2,288

29 NEW SECTION. **Sec. 713.** A new section is added to 1997 c 149
30 (uncodified) to read as follows:

31 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
32 **ACCOUNT**

33 Impaired Driving Safety Account Appropriation \$ 720,000

34 The appropriation in this section is subject to the following
35 conditions and limitations: The amount appropriated in this section
36 shall be distributed in accordance with RCW 82.14.310. \$360,000 of the
37 appropriation shall be distributed in January 1999 and the remaining

1 \$360,000 of the appropriation shall be distributed in April 1999. This
2 funding is provided to counties for the costs of implementing criminal
3 justice legislation including, but not limited to, Substitute House
4 Bill No. 2885 (drunk driving penalties), Second Substitute House Bill
5 No. 3070 (DUI penalties), Second Substitute House Bill No. 3089
6 (deferred prosecution), Engrossed Senate Bill No. 6142 (DUI/license
7 suspension), Engrossed Substitute Senate Bill No. 6165 (ignition
8 interlock violations), Engrossed Substitute Senate Bill No. 6166 (DUI
9 penalties), Engrossed Substitute Senate Bill No. 6187 (DUI penalties),
10 Engrossed Senate Bill No. 6257 (intoxication levels lowered), and
11 Engrossed Second Substitute Senate Bill No. 6293 (DUI penalties).

12 NEW SECTION. **Sec. 714.** A new section is added to 1997 c 149
13 (uncodified) to read as follows:

14 **FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE**
15 **ACCOUNT**

16 Impaired Driving Safety Account Appropriation . . . \$ 480,000

17 The appropriation in this section is subject to the following
18 conditions and limitations: The amount appropriated in this section
19 shall be distributed in accordance with RCW 82.14.320. \$240,000 of the
20 appropriation shall be distributed in January 1999 and the remaining
21 \$240,000 of the appropriation shall be distributed in April 1999. This
22 funding is provided to cities for the costs of implementing criminal
23 justice legislation including, but not limited to, Substitute House
24 Bill No. 2885 (drunk driving penalties), Second Substitute House Bill
25 No. 3070 (DUI penalties), Second Substitute House Bill No. 3089
26 (deferred prosecution), Engrossed Senate Bill No. 6142 (DUI/license
27 suspension), Engrossed Substitute Senate Bill No. 6165 (ignition
28 interlock violations), Engrossed Substitute Senate Bill No. 6166 (DUI
29 penalties), Engrossed Substitute Senate Bill No. 6187 (DUI penalties),
30 Engrossed Senate Bill No. 6257 (intoxication levels lowered), and
31 Engrossed Second Substitute Senate Bill No. 6293 (DUI penalties).

32 NEW SECTION. **Sec. 715.** A new section is added to 1997 c 149
33 (uncodified) to read as follows:

34 **TRANSPORTATION FUND.** (1) The sum of three million dollars is
35 appropriated from the general fund to the transportation fund for
36 fiscal year 1998.

1 (2) The sum of nine million six hundred fifty thousand dollars is
2 appropriated from the general fund to the transportation fund for
3 fiscal year 1999.

4 **Sec. 716.** 1997 c 149 s 717 (uncodified) is amended to read as
5 follows:

6 **INCENTIVE SAVINGS--FY 1998.** The sum of seventy-five million
7 dollars or so much thereof as may be available on June 30, 1998, from
8 the total amount of unspent fiscal year 1998 state general fund
9 appropriations is appropriated for the purposes of House Bill No. 2240
10 or Substitute Senate Bill No. 6045 in the manner provided in this
11 section.

12 (1) Of the total appropriated amount, one-half of that portion that
13 is attributable to incentive savings, not to exceed twenty-five million
14 dollars, is appropriated to the savings incentive account for the
15 purpose of improving the quality, efficiency, and effectiveness of
16 agency services, and credited to the agency that generated the savings.

17 (2) The remainder of the total amount, not to exceed seventy
18 million dollars, is appropriated to the education savings account (~~for~~
19 ~~the purpose of common school construction projects and education~~
20 ~~technology~~)).

21 (3) For purposes of this section, the total amount of unspent state
22 general fund appropriations does not include the appropriations made in
23 this section or any amounts included in across-the-board allotment
24 reductions under RCW 43.88.110.

25 **Sec. 717.** 1997 c 149 s 718 (uncodified) is amended to read as
26 follows:

27 **INCENTIVE SAVINGS--FY 1999.** The sum of seventy-five million
28 dollars or so much thereof as may be available on June 30, 1999, from
29 the total amount of unspent fiscal year 1999 state general fund
30 appropriations is appropriated for the purposes of House Bill No. 2240
31 or Substitute Senate Bill No. 6045 in the manner provided in this
32 section.

33 (1) Of the total appropriated amount, one-half of that portion that
34 is attributable to incentive savings, not to exceed twenty-five million
35 dollars, is appropriated to the savings incentive account for the
36 purpose of improving the quality, efficiency, and effectiveness of
37 agency services, and credited to the agency that generated the savings.

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 1997 c 454 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance		
premiums distribution	\$	6,617,250
General Fund Appropriation for public utility		
district excise tax distribution	\$	35,183,803
General Fund Appropriation for prosecuting attorneys		
salaries	\$	2,960,000
General Fund Appropriation for motor vehicle excise		
tax distribution	\$	84,721,573
General Fund Appropriation for local mass transit		
assistance	\$	383,208,166
General Fund Appropriation for camper and travel		
trailer excise tax distribution	\$	3,904,937
General Fund Appropriation for boating		
safety/education and law enforcement		
distribution	\$	3,616,000
Aquatic Lands Enhancement Account Appropriation		
for harbor improvement revenue distribution .	\$	142,000
Liquor Excise Tax Account Appropriation for liquor		
excise tax distribution	\$	22,287,746
Liquor Revolving Fund Appropriation for liquor		
profits distribution	\$	36,989,000
Timber Tax Distribution Account Appropriation		
for distribution to "Timber" counties	\$	107,146,000
Municipal Sales and Use Tax Equalization Account		
Appropriation	\$	66,860,014
County Sales and Use Tax Equalization Account		
Appropriation	\$	11,843,224
Death Investigations Account Appropriation for		
distribution to counties for publicly funded		
autopsies	\$	1,266,000
County Criminal Justice Account Appropriation . .	\$	((80,634,471))

1		<u>81,354,471</u>
2	Municipal Criminal Justice Account	
3	Appropriation	\$ ((32,042,450))
4		<u>32,522,450</u>
5	County Public Health Account Appropriation . . .	\$ ((43,773,588))
6		<u>44,279,086</u>
7	TOTAL APPROPRIATION	\$ ((923,196,222))
8		<u>924,901,720</u>

9 The total expenditures from the state treasury under the
10 appropriations in this section shall not exceed the funds available
11 under statutory distributions for the stated purposes.

12 NEW SECTION. Sec. 802. WILDLIFE ACCOUNT LOAN. On June 30, 1998,
13 the state treasurer shall lend three million five hundred thousand
14 dollars from the state general fund to the wildlife account.
15 Expenditure of funds is dependent upon the following conditions:

16 (1) By April 17, 1998, the department of fish and wildlife shall
17 submit an expenditure reduction plan for the 1997-99 biennium for the
18 state wildlife account to the office of financial management, the
19 senate ways and means committee, and the house of representatives
20 appropriations committee. The plan shall specify positions to be
21 eliminated by program. The reductions shall be limited to activities
22 currently funded by the wildlife account.

23 (2) By April 17, 1998, the department of fish and wildlife shall
24 submit a list of properties proposed for sale, with a site description
25 of each property, to the office of financial management, the senate
26 ways and means committee, and the house of representatives
27 appropriations committee.

28 (3) Beginning with the fourth quarter of fiscal year 1998, the
29 department of fish and wildlife shall submit quarterly revenue and
30 expenditure reports for the wildlife account to the office of financial
31 management, the senate ways and means committee, and the house of
32 representatives appropriations committee.

33 (4) The department of fish and wildlife shall develop, with the
34 office of financial management and the department of revenue, a model
35 for forecasting revenues to the state wildlife account. This forecast
36 shall be incorporated into the quarterly revenue and expenditure
37 reports.

1 (5) By November 1, 1998, the department of fish and wildlife shall
2 submit a six-year financial plan for the state wildlife account for
3 fiscal years 1999-05 to the office of financial management, the senate
4 ways and means committee, and the house of representatives
5 appropriations committee. The plan shall include repayment of this
6 loan by June 30, 2001.

7 Failure to comply with the terms and conditions of this section
8 shall cause the loan to be immediately payable.

9 **Sec. 803.** 1997 c 454 s 802 (uncodified) is amended to read as
10 follows:

11 **FOR THE STATE TREASURER--TRANSFERS**

12	General Fund: For transfer to the Water Quality	
13	Account	\$ ((26,607,000))
14		<u>28,595,900</u>
15	General Fund: For transfer to the Flood Control	
16	Assistance Account	\$ 4,000,000
17	State Convention and Trade Center Account: For	
18	transfer to the State Convention and Trade	
19	Center Operations Account	\$ 3,877,000
20	Water Quality Account: For transfer to the Water	
21	Pollution Control Account. Transfers shall be	
22	made at intervals coinciding with deposits of	
23	federal capitalization grant money into the	
24	account. The amounts transferred shall not	
25	exceed the match required for each federal	
26	deposit	\$ 21,688,000
27	State Treasurer's Service Account: For transfer to	
28	the general fund on or before June 30, 1999 an	
29	amount up to \$3,600,000 in excess of the cash	
30	requirements of the State Treasurer's Service	
31	Account	\$ 3,600,000
32	Public Works Assistance Account: For transfer to	
33	the Drinking Water Assistance Account	\$ 9,949,000
34	County Sales and Use Tax Equalization Account:	
35	For transfer to the County Public Health	
36	Account	\$ ((1,686,000))
37		<u>2,191,498</u>

1 (2) \$2,000,000 of the reappropriation from the state building
2 construction account is provided solely to promote development of safe
3 and affordable housing units for persons eligible for services from the
4 division of developmental disabilities within the department of social
5 and health services.

6 (3) \$1,000,000 of the new appropriation from the state building
7 construction account is provided solely for the development of housing
8 for low-income temporary or migrant farm workers through grants awarded
9 after the effective date of this act. The legislature finds that
10 providing farm worker housing for low-income temporary or migrant
11 workers is a public purpose. The department shall prioritize grants
12 and shall award grants on a competitive basis to local governments,
13 nonprofit corporations, or other nonprofit entities. Grant moneys
14 awarded by the department under this subsection may be matched by
15 nonstate sources on a dollar-for-dollar basis, in cash or in-kind. The
16 amount in this subsection is contingent upon enactment of sections 1
17 through 8 of Second Substitute Senate Bill No. 6168. If any of these
18 sections of the bill are not enacted by June 30, 1998, this subsection
19 is null and void.

20 **Reappropriation:**

21	St Bldg Constr Acct--State	\$	25,000,000
22	Washington Housing Trust Acct--State	\$	400,000
23			-----
24	Subtotal Reappropriation	\$	25,400,000

25 **Appropriation:**

26	St Bldg Constr Acct--State	\$	50,000,000
27	Prior Biennia (Expenditures)	\$	125,116,142
28	Future Biennia (Projected Costs)	\$	200,000,000
29			-----
30	TOTAL	\$	400,516,142

31 (End of part)

PART IX
MISCELLANEOUS

Sec. 901. RCW 50.24.014 and 1994 c 187 s 3 are each amended to read as follows:

(1)(a) A separate and identifiable account to provide for the financing of special programs to assist the unemployed is established in the administrative contingency fund. Contributions to this account shall accrue and become payable by each employer, except employers as described in RCW 50.44.010 and 50.44.030 who have properly elected to make payments in lieu of contributions, taxable local government employers as described in RCW 50.44.035, and those employers who are required to make payments in lieu of contributions, at a basic rate of two one-hundredths of one percent. The amount of wages subject to tax shall be determined under RCW 50.24.010.

(b) For the first calendar quarter of 1994 only, the basic two one-hundredths of one percent contribution payable under (a) of this subsection shall be increased by one-hundredth of one percent to a total rate of three one-hundredths of one percent. The proceeds of this incremental one-hundredth of one percent shall be used solely for the purposes described in section 22, chapter 483, Laws of 1993, and for the purposes described in RCW 50.40.060. During the 1997-1999 fiscal biennium, any surplus from contributions payable under this subsection (b) (~~will~~) may be deposited in the unemployment compensation trust fund, used to support tax and wage automated systems projects that simplify and streamline employer reporting, or both.

(2)(a) Contributions under this section shall become due and be paid by each employer under rules as the commissioner may prescribe, and shall not be deducted, in whole or in part, from the remuneration of individuals in the employ of the employer. Any deduction in violation of this section is unlawful.

(b) In the payment of any contributions under this section, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to one cent.

(3) If the commissioner determines that federal funding has been increased to provide financing for the services specified in chapter 50.62 RCW, the commissioner shall direct that collection of

1 contributions under this section be terminated on the following January
2 1st.

3 **Sec. 902.** 1997 c 149 s 902 (uncodified) is amended to read as
4 follows:

5 **INFORMATION SYSTEMS PROJECTS.** Agencies shall comply with the
6 following requirements regarding information systems projects when
7 specifically directed to do so by this act.

8 ~~((1) The agency shall produce a feasibility study for each
9 information systems project in accordance with published department of
10 information services instructions. In addition to department of
11 information services requirements, the study shall examine and evaluate
12 the costs and benefits of maintaining the status quo and the costs and
13 benefits of the proposed project. The study shall identify when and in
14 what amount any fiscal savings will accrue, and what programs or fund
15 sources will be affected.~~

16 ~~(2) The agency shall produce a project management plan for each
17 project. The plan or plans shall address all factors critical to
18 successful completion of each project. The plan shall include, but is
19 not limited to, the following elements: A description of the problem
20 or opportunity that the information systems project is intended to
21 address; a statement of project objectives and assumptions; definition
22 of phases, tasks, and activities to be accomplished and the estimated
23 cost of each phase; a description of how the agency will facilitate
24 responsibilities of oversight agencies; a description of key decision
25 points in the project life cycle; a description of variance control
26 measures; a definitive schedule that shows the elapsed time estimated
27 to complete the project and when each task is to be started and
28 completed; and a description of resource requirements to accomplish the
29 activities within specified time, cost, and functionality constraints.~~

30 ~~(3) A copy of each feasibility study and project management plan
31 shall be provided to the department of information services, the office
32 of financial management, and legislative fiscal committees. Authority
33 to expend any funds for individual information systems projects is
34 conditioned on approval of the relevant feasibility study and project
35 management plan by the department of information services and the
36 office of financial management.~~

37 ~~(4) A project status report shall be submitted to the department of
38 information services, the office of financial management, and~~

1 legislative fiscal committees for each project prior to reaching key
2 decision points identified in the project management plan. Project
3 status reports shall examine and evaluate project management,
4 accomplishments, budget, action to address variances, risk management,
5 costs and benefits analysis, and other aspects critical to completion
6 of a project.

7 Work shall not commence on any task in a subsequent phase of a
8 project until the status report for the preceding key decision point
9 has been approved by the department of information services and the
10 office of financial management.

11 (5) If a project review is requested in accordance with department
12 of information services policies, the reviews shall examine and
13 evaluate: System requirements specifications; scope; system
14 architecture; change controls; documentation; user involvement;
15 training; availability and capability of resources; programming
16 languages and techniques; system inputs and outputs; plans for testing,
17 conversion, implementation, and postimplementation; and other aspects
18 critical to successful construction, integration, and implementation of
19 automated systems. Copies of project review written reports shall be
20 forwarded to the office of financial management and appropriate
21 legislative committees by the agency.

22 (6) A written postimplementation review report shall be prepared by
23 the agency for each information systems project in accordance with
24 published department of information services instructions. In addition
25 to the information requested pursuant to the department of information
26 services instructions, the postimplementation report shall evaluate the
27 degree to which a project accomplished its major objectives including,
28 but not limited to, a comparison of original cost and benefit estimates
29 to actual costs and benefits achieved. Copies of the
30 postimplementation review report shall be provided to the department of
31 information services, the office of financial management, and
32 appropriate legislative committees.)) (1) Agency planning and decisions
33 concerning information technology shall be made in the context of its
34 information technology portfolio. "Information technology portfolio"
35 means a strategic management approach in which the relationships
36 between agency missions and information technology investments can be
37 seen and understood, such that: Technology efforts are linked to
38 agency objectives and business plans; the impact of new investments on
39 existing infrastructure and business functions are assessed and

1 understood before implementation; and agency activities are consistent
2 with the development of an integrated, nonduplicative state-wide
3 infrastructure.

4 (2) Agencies shall use their information technology portfolios in
5 making decisions on matters related to the following:

6 (a) System refurbishment, acquisitions, and development efforts;

7 (b) Setting goals and objectives for using information technology
8 in meeting legislatively-mandated missions and business needs;

9 (c) Assessment of overall information processing performance,
10 resources, and capabilities;

11 (d) Ensuring appropriate transfer of technological expertise for
12 the operation of any new systems developed using external resources;
13 and

14 (e) Progress toward enabling electronic access to public
15 information.

16 (3) The agency shall produce a feasibility study for information
17 technology projects at the direction of the information services board
18 and in accordance with published department of information services
19 policies and guidelines. At a minimum, such studies shall include a
20 statement of: (a) The purpose or impetus for change; (b) the business
21 value to the agency, including an examination and evaluation of
22 benefits, advantages, and cost; (c) a comprehensive risk assessment
23 based on the proposed project's impact on both citizens and state
24 operations, its visibility, and the consequences of doing nothing; (d)
25 the impact on agency and state-wide information infrastructure; and (e)
26 the impact of the proposed enhancements to an agency's information
27 technology capabilities on meeting service delivery demands.

28 (4) The agency shall produce a comprehensive management plan for
29 each project. The plan or plans shall address all factors critical to
30 successful completion of each project. The plan(s) shall include, but
31 is not limited to, the following elements: A description of the
32 problem or opportunity that the information technology project is
33 intended to address; a statement of project objectives and assumptions;
34 a definition and schedule of phases, tasks, and activities to be
35 accomplished; and the estimated cost of each phase. The planning for
36 the phased approach shall be such that the business case justification
37 for a project needs to demonstrate how the project recovers cost or
38 adds measurable value or positive cost benefit to the agency's business
39 functions within each development cycle.

1 (5) The agency shall produce quality assurance plans for
2 information technology projects. Consistent with the direction of the
3 information services board and the published policies and guidelines of
4 the department of information services, the quality assurance plan
5 shall address all factors critical to successful completion of the
6 project and successful integration with the agency and state
7 information technology infrastructure. At a minimum, quality assurance
8 plans shall provide time and budget benchmarks against which project
9 progress can be measured, a specification of quality assurance
10 responsibilities, and a statement of reporting requirements. The
11 quality assurance plans shall set out the functionality requirements
12 for each phase of a project.

13 (6) A copy of each feasibility study, project management plan, and
14 quality assurance plan shall be provided to the department of
15 information services, the office of financial management, and
16 legislative fiscal committees. The plans and studies shall demonstrate
17 a sound business case that justifies the investment of taxpayer funds
18 on any new project, an assessment of the impact of the proposed system
19 on the existing information technology infrastructure, the disciplined
20 use of preventative measures to mitigate risk, and the leveraging of
21 private-sector expertise as needed. Authority to expend any funds for
22 individual information systems projects is conditioned on the approval
23 of the relevant feasibility study, project management plan, and quality
24 assurance plan by the department of information services and the office
25 of financial management.

26 (7) Quality assurance status reports shall be submitted to the
27 department of information services, the office of financial management,
28 and legislative fiscal committees at intervals specified in the
29 project's quality assurance plan.

30 **Sec. 903.** 1997 c 149 s 905 (uncodified) is amended to read as
31 follows:

32 **STATUTORY APPROPRIATIONS.** In addition to the amounts appropriated
33 in this act for revenues for distribution, state contributions to the
34 law enforcement officers' and fire fighters' retirement system, and
35 bond retirement and interest including ongoing bond registration and
36 transfer charges, transfers, interest on registered warrants, and
37 certificates of indebtedness, there is also appropriated such further
38 amounts as may be required or available for these purposes under any

1 statutory formula or under chapters 39.94 and 39.96 RCW or any proper
2 bond covenant made under law.

3 **Sec. 904.** RCW 28B.15.910 and 1997 c 433 s 5 are each amended to
4 read as follows:

5 (1) Except for revenue waived under programs listed in subsection
6 (3) of this section, and unless otherwise expressly provided in the
7 omnibus state appropriations act, the total amount of operating fees
8 revenue waived, exempted, or reduced by a state university, a regional
9 university, The Evergreen State College, or the community colleges as
10 a whole, shall not exceed the percentage of total gross authorized
11 operating fees revenue set forth below. As used in this section,
12 "gross authorized operating fees revenue" means the estimated gross
13 operating fees revenue as estimated under RCW 82.33.020 or as revised
14 by the office of financial management, before granting any waivers.
15 This limitation applies to all tuition waiver programs established
16 before or after July 1, 1992.

17	(a) University of Washington	21 percent
18	(b) Washington State University	20 percent
19	(c) Eastern Washington University	11 percent
20	(d) Central Washington University	8 percent
21	(e) Western Washington University	10 percent
22	(f) The Evergreen State College	6 percent
23	(g) Community colleges as a whole	35 percent

24 (2) The limitations in subsection (1) of this section apply to
25 waivers, exemptions, or reductions in operating fees contained in the
26 following:

- 27 (a) RCW 28B.10.265;
- 28 (b) RCW 28B.15.014;
- 29 (c) RCW 28B.15.100;
- 30 (d) RCW 28B.15.225;
- 31 (e) RCW 28B.15.380;
- 32 (f) (~~(g)~~) RCW 28B.15.502(4);
- 33 (~~(g)~~) RCW 28B.15.520;
- 34 (~~(h)~~) (g) RCW 28B.15.526;
- 35 (~~(i)~~) (h) RCW 28B.15.527;
- 36 (~~(j)~~) (i) RCW 28B.15.543;
- 37 (~~(k)~~) (j) RCW 28B.15.545;
- 38 (~~(l)~~) (k) RCW 28B.15.555;

1 (~~(m)~~) (l) RCW 28B.15.556;
2 (~~(n)~~) (m) RCW 28B.15.615;
3 (~~(o)~~) (n) RCW 28B.15.620;
4 (~~(p)~~) (o) RCW 28B.15.628;
5 (~~(q)~~) (p) RCW 28B.15.730;
6 (~~(r)~~) (q) RCW 28B.15.740;
7 (~~(s)~~) (r) RCW 28B.15.750;
8 (~~(t)~~) (s) RCW 28B.15.756;
9 (~~(u)~~) (t) RCW 28B.50.259;
10 (~~(v)~~) (u) RCW 28B.70.050; (~~and~~
11 ~~(w)~~) (v) RCW 28B.80.580; and
12 (w) During the 1997-99 fiscal biennium, the western interstate
13 commission for higher education undergraduate exchange program for
14 students attending Eastern Washington University.

15 (3) The limitations in subsection (1) of this section do not apply
16 to waivers, exemptions, or reductions in services and activities fees
17 contained in the following:

- 18 (a) RCW 28B.15.522;
19 (b) (~~RCW 28B.15.535;~~
20 ~~(c)~~) RCW 28B.15.540; and
21 (~~(d)~~) (c) RCW 28B.15.558.

22 **Sec. 905.** RCW 70.105D.070 and 1997 c 406 s 5 are each amended to
23 read as follows:

24 (1) The state toxics control account and the local toxics control
25 account are hereby created in the state treasury.

26 (2) The following moneys shall be deposited into the state toxics
27 control account: (a) Those revenues which are raised by the tax
28 imposed under RCW 82.21.030 and which are attributable to that portion
29 of the rate equal to thirty-three one-hundredths of one percent; (b)
30 the costs of remedial actions recovered under this chapter or chapter
31 70.105A RCW; (c) penalties collected or recovered under this chapter;
32 and (d) any other money appropriated or transferred to the account by
33 the legislature. Moneys in the account may be used only to carry out
34 the purposes of this chapter, including but not limited to the
35 following activities:

36 (i) The state's responsibility for hazardous waste planning,
37 management, regulation, enforcement, technical assistance, and public
38 education required under chapter 70.105 RCW;

1 (ii) The state's responsibility for solid waste planning,
2 management, regulation, enforcement, technical assistance, and public
3 education required under chapter 70.95 RCW;

4 (iii) The hazardous waste cleanup program required under this
5 chapter;

6 (iv) State matching funds required under the federal cleanup law;

7 (v) Financial assistance for local programs in accordance with
8 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

9 (vi) State government programs for the safe reduction, recycling,
10 or disposal of hazardous wastes from households, small businesses, and
11 agriculture;

12 (vii) Hazardous materials emergency response training;

13 (viii) Water and environmental health protection and monitoring
14 programs;

15 (ix) Programs authorized under chapter 70.146 RCW;

16 (x) A public participation program, including regional citizen
17 advisory committees;

18 (xi) Public funding to assist potentially liable persons to pay for
19 the costs of remedial action in compliance with cleanup standards under
20 RCW 70.105D.030(2)(e) but only when the amount and terms of such
21 funding are established under a settlement agreement under RCW
22 70.105D.040(4) and when the director has found that the funding will
23 achieve both (A) a substantially more expeditious or enhanced cleanup
24 than would otherwise occur, and (B) the prevention or mitigation of
25 unfair economic hardship; and

26 (xii) Development and demonstration of alternative management
27 technologies designed to carry out the top two hazardous waste
28 management priorities of RCW 70.105.150.

29 (3) The following moneys shall be deposited into the local toxics
30 control account: Those revenues which are raised by the tax imposed
31 under RCW 82.21.030 and which are attributable to that portion of the
32 rate equal to thirty-seven one-hundredths of one percent.

33 (a) Moneys deposited in the local toxics control account shall be
34 used by the department for grants or loans to local governments for the
35 following purposes in descending order of priority: (i) Remedial
36 actions; (ii) hazardous waste plans and programs under chapter 70.105
37 RCW; and (iii) solid waste plans and programs under chapters 70.95,
38 70.95C, 70.95I, and 70.105 RCW. Funds for plans and programs shall be
39 allocated consistent with the priorities and matching requirements

1 established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW. During
2 the 1997-1999 fiscal biennium, moneys in the account may also be used
3 for the following activities: Conducting a study of whether dioxins
4 occur in fertilizers, soil amendments, and soils; reviewing
5 applications for registration of fertilizers; and conducting a study of
6 plant uptake of metals.

7 (b) Funds may also be appropriated to the department of health to
8 implement programs to reduce testing requirements under the federal
9 safe drinking water act for public water systems. The department of
10 health shall reimburse the account from fees assessed under RCW
11 70.119A.115 by June 30, 1995.

12 (4) Except for unanticipated receipts under RCW 43.79.260 through
13 43.79.282, moneys in the state and local toxics control accounts may be
14 spent only after appropriation by statute.

15 (5) One percent of the moneys deposited into the state and local
16 toxics control accounts shall be allocated only for public
17 participation grants to persons who may be adversely affected by a
18 release or threatened release of a hazardous substance and to not-for-
19 profit public interest organizations. The primary purpose of these
20 grants is to facilitate the participation by persons and organizations
21 in the investigation and remedying of releases or threatened releases
22 of hazardous substances and to implement the state's solid and
23 hazardous waste management priorities. No grant may exceed sixty
24 thousand dollars. Grants may be renewed annually. Moneys appropriated
25 for public participation from either account which are not expended at
26 the close of any biennium shall revert to the state toxics control
27 account.

28 (6) No moneys deposited into either the state or local toxics
29 control account may be used for solid waste incinerator feasibility
30 studies, construction, maintenance, or operation.

31 (7) The department shall adopt rules for grant or loan issuance and
32 performance.

33 NEW SECTION. Sec. 906. During the 1997-99 fiscal biennium, the
34 lottery commission shall conduct at least two, but not more than four,
35 scratch games with agricultural fair themes per year. These games are
36 intended to generate additional moneys sufficient to cover the
37 distributions under RCW 67.70.240(6).

1 **Sec. 907.** RCW 67.70.240 and 1997 c 220 s 206 are each amended to
2 read as follows:

3 The moneys in the state lottery account shall be used only:

4 (1) For the payment of prizes to the holders of winning lottery
5 tickets or shares;

6 (2) For purposes of making deposits into the reserve account
7 created by RCW 67.70.250 and into the lottery administrative account
8 created by RCW 67.70.260;

9 (3) For purposes of making deposits into the state's general fund;

10 (4) For distribution to a county for the purpose of paying the
11 principal and interest payments on bonds issued by the county to
12 construct a baseball stadium, as defined in RCW 82.14.0485, including
13 reasonably necessary preconstruction costs. Three million dollars
14 shall be distributed under this subsection during calendar year 1996.
15 During subsequent years, such distributions shall equal the prior
16 year's distributions increased by four percent. Distributions under
17 this subsection shall cease when the bonds issued for the construction
18 of the baseball stadium are retired, but not more than twenty years
19 after the tax under RCW 82.14.0485 is first imposed;

20 (5) For distribution to the stadium and exhibition center account,
21 created in RCW 43.99N.060. Subject to the conditions of RCW
22 43.99N.070, six million dollars shall be distributed under this
23 subsection during the calendar year 1998. During subsequent years,
24 such distribution shall equal the prior year's distributions increased
25 by four percent. No distribution may be made under this subsection
26 after December 31, 1999, unless the conditions for issuance of the
27 bonds under RCW 43.99N.020(2) are met. Distributions under this
28 subsection shall cease when the bonds are retired, but not later than
29 December 31, 2020;

30 (6) For distribution to the fair fund, created in chapter 15.76
31 RCW. Five hundred sixty-five thousand dollars shall be distributed
32 under this subsection during the remainder of fiscal year 1998. Two
33 million dollars shall be distributed under this subsection during
34 fiscal year 1999.

35 (7) For the purchase and promotion of lottery games and game-
36 related services; and

37 (~~(7)~~) (8) For the payment of agent compensation.

38 The office of financial management shall require the allotment of
39 all expenses paid from the account and shall report to the ways and

1 means committees of the senate and house of representatives any changes
2 in the allotments.

3 NEW SECTION. **Sec. 908.** If Engrossed Second Substitute Senate Bill
4 No. 6562 is not enacted by June 30, 1998, sections 906 and 907 of this
5 act are null and void.

6 **Sec. 909.** RCW 69.50.520 and 1997 c 451 s 2 and 1997 c 338 s 69 are
7 each reenacted and amended to read as follows:

8 The violence reduction and drug enforcement account is created in
9 the state treasury. All designated receipts from RCW 9.41.110(8),
10 66.24.210(4), 66.24.290(2), 69.50.505(h)(1), 82.08.150(5),
11 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989
12 shall be deposited into the account. Expenditures from the account may
13 be used only for funding services and programs under chapter 271, Laws
14 of 1989 and chapter 7, Laws of 1994 sp. sess., including state
15 incarceration costs. Funds from the account may also be appropriated
16 to reimburse local governments for costs associated with implementing
17 criminal justice legislation including chapter 338, Laws of 1997.
18 During the 1997-1999 biennium, funds from the account may also be used
19 for costs associated with conducting a feasibility study of the
20 department of corrections' offender-based tracking system, providing
21 grants to local governments in accordance with chapter 338, Laws of
22 1997, and for multijurisdictional narcotics task forces. After July 1,
23 1999, at least seven and one-half percent of expenditures from the
24 account shall be used for providing grants to community networks under
25 chapter 70.190 RCW by the family policy council.

26 **Sec. 910.** RCW 43.88.030 and 1997 c 168 s 5 and 1997 c 96 s 4 are
27 each reenacted and amended to read as follows:

28 (1) The director of financial management shall provide all agencies
29 with a complete set of instructions for submitting biennial budget
30 requests to the director at least three months before agency budget
31 documents are due into the office of financial management. The
32 director shall provide agencies that are required under RCW 44.40.070
33 to develop comprehensive six-year program and financial plans with a
34 complete set of instructions for submitting these program and financial
35 plans at the same time that instructions for submitting other budget
36 requests are provided. The budget document or documents shall consist

1 of the governor's budget message which shall be explanatory of the
2 budget and shall contain an outline of the proposed financial policies
3 of the state for the ensuing fiscal period, as well as an outline of
4 the proposed six-year financial policies where applicable, and shall
5 describe in connection therewith the important features of the budget.
6 The message shall set forth the reasons for salient changes from the
7 previous fiscal period in expenditure and revenue items and shall
8 explain any major changes in financial policy. Attached to the budget
9 message shall be such supporting schedules, exhibits and other
10 explanatory material in respect to both current operations and capital
11 improvements as the governor shall deem to be useful to the
12 legislature. The budget document or documents shall set forth a
13 proposal for expenditures in the ensuing fiscal period, or six-year
14 period where applicable, based upon the estimated revenues and
15 caseloads as approved by the economic and revenue forecast council and
16 caseload forecast council or upon the estimated revenues and caseloads
17 of the office of financial management for those funds, accounts,
18 sources, and programs for which the forecast councils do not prepare an
19 official forecast, including those revenues anticipated to support the
20 six-year programs and financial plans under RCW 44.40.070. In
21 estimating revenues to support financial plans under RCW 44.40.070, the
22 office of financial management shall rely on information and advice
23 from the interagency revenue task force. Revenues shall be estimated
24 for such fiscal period from the source and at the rates existing by law
25 at the time of submission of the budget document, including the
26 supplemental budgets submitted in the even-numbered years of a
27 biennium. However, the estimated revenues and caseloads for use in the
28 governor's budget document may be adjusted to reflect budgetary revenue
29 transfers and revenue and caseload estimates dependent upon budgetary
30 assumptions of enrollments, workloads, and caseloads. All adjustments
31 to the approved estimated revenues and caseloads must be set forth in
32 the budget document. The governor may additionally submit, as an
33 appendix to each supplemental, biennial, or six-year agency budget or
34 to the budget document or documents, a proposal for expenditures in the
35 ensuing fiscal period from revenue sources derived from proposed
36 changes in existing statutes.

37 Supplemental and biennial documents shall reflect a six-year
38 expenditure plan consistent with estimated revenues from existing
39 sources and at existing rates for those agencies required to submit

1 six-year program and financial plans under RCW 44.40.070. Any
2 additional revenue resulting from proposed changes to existing statutes
3 shall be separately identified within the document as well as related
4 expenditures for the six-year period.

5 The budget document or documents shall also contain:

6 (a) Revenues classified by fund and source for the immediately past
7 fiscal period, those received or anticipated for the current fiscal
8 period, those anticipated for the ensuing biennium, and those
9 anticipated for the ensuing six-year period to support the six-year
10 programs and financial plans required under RCW 44.40.070;

11 (b) The undesignated fund balance or deficit, by fund;

12 (c) Such additional information dealing with expenditures,
13 revenues, workload, performance, and personnel as the legislature may
14 direct by law or concurrent resolution;

15 (d) Such additional information dealing with revenues and
16 expenditures as the governor shall deem pertinent and useful to the
17 legislature;

18 (e) Tabulations showing expenditures classified by fund, function,
19 activity, and ~~((object))~~ agency;

20 (f) A delineation of each agency's activities, including those
21 activities funded from nonbudgeted, nonappropriated sources, including
22 funds maintained outside the state treasury;

23 (g) Identification of all proposed direct expenditures to implement
24 the Puget Sound water quality plan under chapter 90.71 RCW, shown by
25 agency and in total; and

26 (h) Tabulations showing each postretirement adjustment by
27 retirement system established after fiscal year 1991, to include, but
28 not be limited to, estimated total payments made to the end of the
29 previous biennial period, estimated payments for the present biennium,
30 and estimated payments for the ensuing biennium.

31 (2) The budget document or documents shall include detailed
32 estimates of all anticipated revenues applicable to proposed operating
33 or capital expenditures and shall also include all proposed operating
34 or capital expenditures. The total of beginning undesignated fund
35 balance and estimated revenues less working capital and other reserves
36 shall equal or exceed the total of proposed applicable expenditures.
37 The budget document or documents shall further include:

38 (a) Interest, amortization and redemption charges on the state
39 debt;

1 (b) Payments of all reliefs, judgments and claims;
2 (c) Other statutory expenditures;
3 (d) Expenditures incident to the operation for each agency;
4 (e) Revenues derived from agency operations;
5 (f) Expenditures and revenues shall be given in comparative form
6 showing those incurred or received for the immediately past fiscal
7 period and those anticipated for the current biennium and next ensuing
8 biennium, as well as those required to support the six-year programs
9 and financial plans required under RCW 44.40.070;
10 (g) A showing and explanation of amounts of general fund and other
11 funds obligations for debt service and any transfers of moneys that
12 otherwise would have been available for appropriation;
13 (h) Common school expenditures on a fiscal-year basis;
14 (i) A showing, by agency, of the value and purpose of financing
15 contracts for the lease/purchase or acquisition of personal or real
16 property for the current and ensuing fiscal periods; and
17 (j) A showing and explanation of anticipated amounts of general
18 fund and other funds required to amortize the unfunded actuarial
19 accrued liability of the retirement system specified under chapter
20 41.45 RCW, and the contributions to meet such amortization, stated in
21 total dollars and as a level percentage of total compensation.
22 (3) A separate capital budget document or schedule shall be
23 submitted that will contain the following:
24 (a) A statement setting forth a long-range facilities plan for the
25 state that identifies and includes the highest priority needs within
26 affordable spending levels;
27 (b) A capital program consisting of proposed capital projects for
28 the next biennium and the two biennia succeeding the next biennium
29 consistent with the long-range facilities plan. Inasmuch as is
30 practical, and recognizing emergent needs, the capital program shall
31 reflect the priorities, projects, and spending levels proposed in
32 previously submitted capital budget documents in order to provide a
33 reliable long-range planning tool for the legislature and state
34 agencies;
35 (c) A capital plan consisting of proposed capital spending for at
36 least four biennia succeeding the next biennium;
37 (d) A strategic plan for reducing backlogs of maintenance and
38 repair projects. The plan shall include a prioritized list of specific
39 facility deficiencies and capital projects to address the deficiencies

1 for each agency, cost estimates for each project, a schedule for
2 completing projects over a reasonable period of time, and
3 identification of normal maintenance activities to reduce future
4 backlogs;

5 (e) A statement of the reason or purpose for a project;

6 (f) Verification that a project is consistent with the provisions
7 set forth in chapter 36.70A RCW;

8 (g) A statement about the proposed site, size, and estimated life
9 of the project, if applicable;

10 (h) Estimated total project cost;

11 (i) For major projects valued over five million dollars, estimated
12 costs for the following project components: Acquisition, consultant
13 services, construction, equipment, project management, and other costs
14 included as part of the project. Project component costs shall be
15 displayed in a standard format defined by the office of financial
16 management to allow comparisons between projects;

17 (j) Estimated total project cost for each phase of the project as
18 defined by the office of financial management;

19 (k) Estimated ensuing biennium costs;

20 (l) Estimated costs beyond the ensuing biennium;

21 (m) Estimated construction start and completion dates;

22 (n) Source and type of funds proposed;

23 (o) Estimated ongoing operating budget costs or savings resulting
24 from the project, including staffing and maintenance costs;

25 (p) For any capital appropriation requested for a state agency for
26 the acquisition of land or the capital improvement of land in which the
27 primary purpose of the acquisition or improvement is recreation or
28 wildlife habitat conservation, the capital budget document, or an
29 omnibus list of recreation and habitat acquisitions provided with the
30 governor's budget document, shall identify the projected costs of
31 operation and maintenance for at least the two biennia succeeding the
32 next biennium. Omnibus lists of habitat and recreation land
33 acquisitions shall include individual project cost estimates for
34 operation and maintenance as well as a total for all state projects
35 included in the list. The document shall identify the source of funds
36 from which the operation and maintenance costs are proposed to be
37 funded;

38 (q) Such other information bearing upon capital projects as the
39 governor deems to be useful;

1 (r) Standard terms, including a standard and uniform definition of
2 normal maintenance, for all capital projects;

3 (s) Such other information as the legislature may direct by law or
4 concurrent resolution.

5 For purposes of this subsection (3), the term "capital project"
6 shall be defined subsequent to the analysis, findings, and
7 recommendations of a joint committee comprised of representatives from
8 the house capital appropriations committee, senate ways and means
9 committee, legislative transportation committee, legislative evaluation
10 and accountability program committee, and office of financial
11 management.

12 (4) No change affecting the comparability of agency or program
13 information relating to expenditures, revenues, workload, performance
14 and personnel shall be made in the format of any budget document or
15 report presented to the legislature under this section or RCW
16 43.88.160(1) relative to the format of the budget document or report
17 which was presented to the previous regular session of the legislature
18 during an odd-numbered year without prior legislative concurrence.
19 Prior legislative concurrence shall consist of (a) a favorable majority
20 vote on the proposal by the standing committees on ways and means of
21 both houses if the legislature is in session or (b) a favorable
22 majority vote on the proposal by members of the legislative evaluation
23 and accountability program committee if the legislature is not in
24 session.

25 NEW SECTION. **Sec. 911.** Sections 27, 50, and 57, chapter . . .
26 (Second Substitute Senate Bill No. 6214), Laws of 1998 are each
27 repealed.

28 NEW SECTION. **Sec. 912.** This act shall not be construed as
29 affecting any right or cause of action asserted in *Washington State*
30 *Legislature v. State of Washington* (Thurston county superior court
31 cause no. 98-2-00105-1).

32 NEW SECTION. **Sec. 913.** A new section is added to 1997 c 149
33 (uncodified) to read as follows:

34 Amounts provided in this act are sufficient to implement Engrossed
35 Senate Bill No. 6325 (ferry vessels authorized). If the bill is not
36 enacted by June 30, 1998, this section is null and void.

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34	WASHINGTON STATE HISTORICAL SOCIETY	177
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1 **ESSB 6108** - CONF REPT
2 By Conference Committee

3

4 On page 1, line 1 of the title, after "matters;" strike the
5 remainder of the title and insert "amending RCW 50.24.014, 28B.15.910,
6 70.105D.070, and 67.70.240; amending 1997 c 149 ss 101, 102, 104, 110,
7 111, 112, 113, 114, 116, 117, 120, 121, 122, 123, 124, 129, 130, 134,
8 136, 141, 142, 145, 146, 147, 152, 201, 204, 205, 206, 209, 210, 215,
9 217, 224, 304, 306, 309, 310, 401, 402, 502, 505, 506, 507, 508, 513,
10 516, 612, 614, 616, 618, 619, 701, 703, 705, 710, 712, 717, 718, 902,
11 and 905 (uncodified); amending 1997 c 454 ss 101, 103, 104, 105, 202,
12 203, 204, 205, 206, 207, 208, 210, 211, 209, 212, 213, 214, 301, 302,
13 303, 304, 305, 501, 503, 504, 505, 506, 507, 508, 601, 602, 603, 604,
14 605, 606, 607, 608, 609, 610, 611, 704, 801, and 802 (uncodified);
15 amending 1997 c 235 ss 676 and 108 (uncodified); reenacting and
16 amending RCW 69.50.520 and 43.88.030; adding new sections to 1997 c 149
17 (uncodified); creating new sections; repealing 1998 c . . . (Second
18 Substitute Senate Bill No. 6214) ss 27, 50, and 57; making
19 appropriations; and declaring an emergency."

--- END ---