
HOUSE BILL 2460

State of Washington

57th Legislature

2002 Regular Session

By request of Governor Locke

Read first time 01/17/2002. Referred to Committee on Appropriations.

1 AN ACT Relating to fiscal matters; amending RCW 70.146.030;
2 amending 2001 2nd sp.s. c 7 s 105, 109, 111, 113, 114, 115, 117, 118,
3 120, 123, 125, 127, 129, 131, 133, 134, 136, 137, 138, 139, 142, 143,
4 144, 148, 151, 152, 153, 201, 202, 203, 204, 205, 206, 207, 208, 209,
5 210, 211, 213, 214, 215, 216, 217, 219, 220, 221, 222, 224, 302, 303,
6 304, 306, 307, 308, 309, 401, 402, 501, 502, 503, 504, 505, 507, 508,
7 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 521, 601, 602,
8 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 614, 615, 616, 617,
9 618, 619, 701, 702, 703, 704, 706, 716, 719, 722, 727, 728, 729, 730,
10 801, and 805 (uncodified); reenacting and amending RCW 43.320.110;
11 adding new sections to 2001 2nd sp.s. c 7 (uncodified); making
12 appropriations; and declaring an emergency.

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

14 **PART I**
15 **GENERAL GOVERNMENT**

16 **Sec. 101.** 2001 2nd sp.s. c 7 s 105 (uncodified) is amended to read
17 as follows:

18 **FOR THE OFFICE OF THE STATE ACTUARY**

1 Department of Retirement Systems Expense Account--
 2 State Appropriation \$ ((1,923,000))
 3 2,083,000

4 The appropriation in this section is subject to the following
 5 conditions and limitations: The joint committee on pension policy, in
 6 collaboration with various interested parties, shall study issues of
 7 pension governance and recommend legislation for consideration in the
 8 2002 legislative session.

9 **Sec. 102.** 2001 2nd sp.s. c 7 s 109 (uncodified) is amended to read
 10 as follows:

11 **FOR THE SUPREME COURT**
 12 General Fund--State Appropriation (FY 2002) . . . \$ ((5,423,000))
 13 5,500,000
 14 General Fund--State Appropriation (FY 2003) . . . \$ ((5,510,000))
 15 5,652,000
 16 TOTAL APPROPRIATION \$ ((10,933,000))
 17 11,152,000

18 **Sec. 103.** 2001 2nd sp.s. c 7 s 111 (uncodified) is amended to read
 19 as follows:

20 **FOR THE COURT OF APPEALS**
 21 General Fund--State Appropriation (FY 2002) . . . \$ ((12,746,000))
 22 12,894,000
 23 General Fund--State Appropriation (FY 2003) . . . \$ ((12,878,000))
 24 13,110,000
 25 TOTAL APPROPRIATION \$ ((25,624,000))
 26 26,004,000

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

29 (1) \$505,000 of the general fund--state appropriation for fiscal
 30 year 2002 and \$606,000 of the general fund--state appropriation for
 31 fiscal year 2003 are provided solely for lease increases associated
 32 with the division I facility. Within the funds provided in this
 33 subsection, the court of appeals shall conduct a space planning study
 34 exploring options dealing with remodeling existing space to accommodate
 35 needs and evaluating the cost and benefits of moving to another
 36 location.

1 (2) \$168,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$159,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for providing compensation
4 adjustments to nonjudicial staff of the court of appeals. Within the
5 funds provided in this subsection, the court of appeals shall determine
6 the specific positions to receive compensation adjustments based on
7 recruitment and retention difficulties, new duties or responsibilities
8 assigned, and salary inversion or compression within the court of
9 appeals.

10 **Sec. 104.** 2001 2nd sp.s. c 7 s 113 (uncodified) is amended to read
11 as follows:

12 **FOR THE ADMINISTRATOR FOR THE COURTS**

13	General Fund--State Appropriation (FY 2002) . . . \$	((14,247,000))
14		<u>14,900,000</u>
15	General Fund--State Appropriation (FY 2003) . . . \$	((14,386,000))
16		<u>17,458,000</u>
17	Public Safety and Education Account--State	
18	Appropriation \$	((29,634,000))
19		<u>29,689,000</u>
20	Judicial Information Systems Account--State	
21	Appropriation \$	27,758,000
22	TOTAL APPROPRIATION \$	((86,025,000))
23		<u>89,805,000</u>

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

26 (1) Funding provided in the judicial information systems account
27 appropriation shall be used for the operations and maintenance of
28 technology systems that improve services provided by the supreme court,
29 the court of appeals, the office of public defense, and the
30 administrator for the courts.

31 (2) No moneys appropriated in this section may be expended by the
32 administrator for the courts for payments in excess of fifty percent of
33 the employer contribution on behalf of superior court judges for
34 insurance and health care plans and federal social security and
35 medicare and medical aid benefits. As required by Article IV, section
36 13 of the state Constitution and 1996 Attorney General's Opinion No. 2,
37 it is the intent of the legislature that the costs of these employer
38 contributions shall be shared equally between the state and county or

1 counties in which the judges serve. The administrator for the courts
2 shall continue to implement procedures for the collection and
3 disbursement of these employer contributions. During each fiscal year
4 in the 2001-03 biennium, the office of the administrator for the courts
5 shall send written notice to the office of community development in the
6 department of community, trade, and economic development when each
7 county pays its fifty percent share for the year.

8 (3) \$223,000 of the public safety and education account
9 appropriation is provided solely for the gender and justice commission.

10 (4) \$308,000 of the public safety and education account
11 appropriation is provided solely for the minority and justice
12 commission.

13 (5) \$278,000 of the general fund--state appropriation for fiscal
14 year 2002, \$285,000 of the general fund--state appropriation for fiscal
15 year 2003, and \$263,000 of the public safety and education account
16 appropriation are provided solely for the workload associated with tax
17 warrants and other state cases filed in Thurston county.

18 (6) \$750,000 of the general fund--state appropriation for fiscal
19 year 2002 and \$750,000 of the general fund--state appropriation for
20 fiscal year 2003 are provided solely for court-appointed special
21 advocates in dependency matters. The administrator for the courts,
22 after consulting with the association of juvenile court administrators
23 and the association of court-appointed special advocate/guardian ad
24 litem programs, shall distribute the funds to volunteer court-appointed
25 special advocate/guardian ad litem programs. The distribution of
26 funding shall be based on the number of children who need volunteer
27 court-appointed special advocate representation and shall be equally
28 accessible to all volunteer court-appointed special advocate/guardian
29 ad litem programs. The administrator for the courts shall not retain
30 more than six percent of total funding to cover administrative or any
31 other agency costs.

32 (7) \$750,000 of the public safety and education account--state
33 appropriation is provided solely for judicial program enhancements.
34 Within the funding provided in this subsection, the administrator for
35 the courts, in consultation with the supreme court, shall determine the
36 program or programs to receive an enhancement. Among the programs that
37 may be funded from the amount provided in this subsection are unified
38 family courts.

1 (8) \$1,618,000 of the public safety and education account--state
2 appropriation is provided solely for increases for juror pay. The
3 office of the administrator for the courts may contract with local
4 governments to provide additional juror pay. The contract shall
5 provide that the local government is responsible for the first ten
6 dollars of juror compensation for each day or partial day of jury
7 service, and the state shall reimburse the local government for any
8 additional compensation, excluding the first day, up to a maximum of
9 fifteen dollars per day.

10 **Sec. 105.** 2001 2nd sp.s. c 7 s 114 (uncodified) is amended to read
11 as follows:

12 **FOR THE OFFICE OF PUBLIC DEFENSE**

13	General Fund--State Appropriation (FY 2002) . . . \$	600,000
14	<u>General Fund--State Appropriation (FY 2003) . . . \$</u>	<u>600,000</u>
15	Public Safety and Education Account--State	
16	Appropriation \$	((12,626,000))
17		<u>12,756,000</u>
18	TOTAL APPROPRIATION \$	((13,226,000))
19		<u>13,956,000</u>

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

22 (1) \$233,000 of the public safety and education account
23 appropriation is provided solely to increase the reimbursement for
24 private attorneys providing constitutionally mandated indigent defense
25 in nondeath penalty cases.

26 (2) \$51,000 of the public safety and education account
27 appropriation is provided solely for the implementation of chapter 303,
28 Laws of 1999 (court funding).

29 (3) Amounts provided from the public safety and education account
30 appropriation in this section include funding for investigative
31 services in death penalty personal restraint petitions.

32 (4) The entire general fund--state appropriation is provided solely
33 for the continuation of a dependency and termination legal
34 representation funding pilot program.

35 (a) The goal of the pilot program shall be to enhance the quality
36 of legal representation in dependency and termination hearings, thereby
37 reducing the number of continuances requested by contract attorneys,

1 including those based on the unavailability of defense counsel. To
2 meet the goal, the pilot shall include the following components:

3 (i) A maximum caseload requirement of 90 dependency and termination
4 cases per full-time attorney;

5 (ii) Implementation of enhanced defense attorney practice
6 standards, including but not limited to those related to reasonable
7 case preparation and the delivery of adequate client advice, as
8 developed by Washington state public defense attorneys and included in
9 the office of public defense December 1999 report *Costs of Defense and*
10 *Children's Representation in Dependency and Termination Hearings*;

11 (iii) Use of investigative and expert services in appropriate
12 cases; and

13 (iv) Effective implementation of indigency screening of all
14 dependency and termination parents, guardians, and legal custodians
15 represented by appointed counsel.

16 (b) The pilot program shall be established in one eastern and one
17 western Washington juvenile court.

18 (c) The director shall contract for an independent evaluation of
19 the pilot program benefits and costs. A final evaluation shall be
20 submitted to the governor and the fiscal committees of the legislature
21 no later than February 1, 2002.

22 (d) The chair of the office of public defense advisory committee
23 shall appoint an implementation committee to:

24 (i) Develop criteria for a statewide program to improve dependency
25 and termination defense;

26 (ii) Examine caseload impacts to the courts resulting from improved
27 defense practices; and

28 (iii) Identify methods for the efficient use of expert services and
29 means by which parents may effectively access services.

30 If sufficient funds are available, the office of public defense
31 shall contract with the Washington state institute for public policy to
32 research how reducing dependency and termination case delays affects
33 foster care and to identify factors that are reducing the number of
34 family reunifications that occur in dependency and termination cases.

35 (5) \$50,000 of the public safety and education account--state
36 appropriation is provided solely for the evaluation required in chapter
37 92, Laws of 2000 (DNA testing).

38 (6) \$235,000 of the public safety and education account--state
39 appropriation is provided solely for the office of public defense to

1 contract with an existing public defender association to establish a
2 capital defense assistance center.

3 **Sec. 106.** 2001 2nd sp.s. c 7 s 115 (uncodified) is amended to read
4 as follows:

5 **FOR THE OFFICE OF THE GOVERNOR**

6	General Fund--State Appropriation (FY 2002) . . . \$	4,537,000
7	General Fund--State Appropriation (FY 2003) . . . \$	((4,524,000))
8		<u>4,434,000</u>
9	General Fund--Federal Appropriation \$	219,000
10	Water Quality Account--State	
11	Appropriation \$	3,908,000
12	TOTAL APPROPRIATION \$	((13,188,000))
13		<u>13,098,000</u>

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

16 (1) \$3,908,000 of the water quality account appropriation and
17 \$219,000 of the general fund--federal appropriation are provided solely
18 for the Puget Sound water quality action team to implement the Puget
19 Sound work plan and agency action items PSAT-01 through PSAT-05.

20 (2) \$100,000 of the general fund--state appropriation for fiscal
21 year 2002 and \$100,000 of the general fund--state appropriation for
22 fiscal year 2003 are provided solely for the salmon recovery office to
23 support the efforts of the independent science panel.

24 **Sec. 107.** 2001 2nd sp.s. c 7 s 117 (uncodified) is amended to read
25 as follows:

26 **FOR THE PUBLIC DISCLOSURE COMMISSION**

27	General Fund--State Appropriation (FY 2002) . . . \$	1,910,000
28	General Fund--State Appropriation (FY 2003) . . . \$	((1,903,000))
29		<u>1,887,000</u>
30	TOTAL APPROPRIATION \$	((3,813,000))
31		<u>3,797,000</u>

32 **Sec. 108.** 2001 2nd sp.s. c 7 s 118 (uncodified) is amended to read
33 as follows:

34 **FOR THE SECRETARY OF STATE**

35	General Fund--State Appropriation (FY 2002) . . . \$	((10,513,000))
36		<u>10,175,000</u>

1	General Fund--State Appropriation (FY 2003) . . . \$	((8,707,000))
2		<u>6,351,000</u>
3	Archives and Records Management Account--State	
4	Appropriation \$	((7,295,000))
5		<u>7,889,000</u>
6	Archives and Records Management Account--Private/	
7	Local Appropriation \$	((3,860,000))
8		<u>4,619,000</u>
9	Department of Personnel Service Account	
10	Appropriation \$	((719,000))
11		<u>701,000</u>
12	TOTAL APPROPRIATION \$	((31,094,000))
13		<u>29,735,000</u>

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

16 (1) ((~~\$2,296,000~~)) \$1,796,000 of the general fund--state
17 appropriation for fiscal year 2002 is provided solely to reimburse
18 counties for the state's share of primary and general election costs
19 and the costs of conducting mandatory recounts on state measures.
20 Counties shall be reimbursed only for those odd-year election costs
21 that the secretary of state validates as eligible for reimbursement.

22 (2) ((~~\$2,193,000~~)) \$2,143,000 of the general fund--state
23 appropriation for fiscal year 2002 and ((~~\$2,712,000~~)) \$2,578,000 of the
24 general fund--state appropriation for fiscal year 2003 are provided
25 solely for the verification of initiative and referendum petitions,
26 maintenance of related voter registration records, and the publication
27 and distribution of the voters and candidates pamphlet.

28 (3) \$125,000 of the general fund--state appropriation for fiscal
29 year 2002 and ((~~\$125,000~~)) \$118,000 of the general fund--state
30 appropriation for fiscal year 2003 are provided solely for legal
31 advertising of state measures under RCW 29.27.072.

32 (4)(a) \$1,944,004 of the general fund--state appropriation for
33 fiscal year 2002 and \$1,986,772 of the general fund--state
34 appropriation for fiscal year 2003 are provided solely for contracting
35 with a nonprofit organization to produce gavel-to-gavel television
36 coverage of state government deliberations and other events of
37 statewide significance during the 2001-2003 biennium. An eligible
38 nonprofit organization must be formed solely for the purpose of, and be
39 experienced in, providing gavel-to-gavel television coverage of state

1 government deliberations and other events of statewide significance and
2 must have received a determination of tax-exempt status under section
3 501(c)(3) of the federal internal revenue code. The funding level for
4 each year of the contract shall be based on the amount provided in this
5 subsection and adjusted to reflect the implicit price deflator for the
6 previous year. The nonprofit organization shall be required to raise
7 contributions or commitments to make contributions, in cash or in kind,
8 in an amount equal to forty percent of the state contribution. The
9 office of the secretary of state may make full or partial payment once
10 all criteria in (a) and (b) of this subsection have been satisfactorily
11 documented.

12 (b) The legislature finds that the commitment of on-going funding
13 is necessary to ensure continuous, autonomous, and independent coverage
14 of public affairs. For that purpose, the secretary of state shall
15 enter into a four-year contract with the nonprofit organization to
16 provide public affairs coverage through June 30, 2006.

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

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

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

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

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

32 (5)(a) \$149,316 of the archives and records management--state
33 appropriation and \$597,266 of the archives and records management--
34 private/local appropriation are provided solely for the construction of
35 an eastern regional archives. The amounts provided in this subsection
36 shall lapse if:

37 (i) The financing contract for the construction of an eastern
38 regional archives building is not authorized in the capital budget for
39 the 2001-03 fiscal biennium; or

1 (ii) Substitute House Bill No. 1926 (increasing the surcharge on
2 county auditor recording fees) is not enacted by July 31, 2001.

3 (b) \$613,879 of the archives and records management--state
4 appropriation and \$463,102 of the archives and records management--
5 private/local appropriation are provided solely for the design and
6 establishment of an electronic data archive, including the acquisition
7 of hardware and software. The amounts provided in this subsection
8 shall lapse if:

9 (i) The financing contract for acquisition of technology hardware
10 and software for the electronic data archive is not authorized in the
11 capital budget for the 2001-03 fiscal biennium; or

12 (ii) Substitute House Bill No. 1926 (increasing the surcharge on
13 county auditor recording fees) is not enacted by June 30, 2001.

14 (6) If the financing contract for expansion of the state records
15 center is not authorized in the capital budget for fiscal biennium
16 2001-03, then \$641,000 of the archives and records management account--
17 state appropriation shall lapse.

18 (7) (~~(\$867,000)~~) \$1,635,000 of the archives and records management
19 account--state appropriation is provided solely for operation of the
20 central microfilming bureau under RCW 40.14.020(8).

21 **Sec. 109.** 2001 2nd sp.s. c 7 s 120 (uncodified) is amended to read
22 as follows:

23 **FOR THE COMMISSION ON ASIAN-AMERICAN AFFAIRS**

24	General Fund--State Appropriation (FY 2002) . . . \$	233,000
25	General Fund--State Appropriation (FY 2003) . . . \$	((233,000))
26		<u>201,000</u>
27	TOTAL APPROPRIATION \$	((466,000))
28		<u>434,000</u>

29 **Sec. 110.** 2001 2nd sp.s. c 7 s 123 (uncodified) is amended to read
30 as follows:

31 **FOR THE STATE AUDITOR**

32	General Fund--State Appropriation (FY 2002) . . . \$	((1,078,000))
33		<u>778,000</u>
34	((General Fund--State Appropriation (FY 2003) . . . \$	1,324,000))
35	State Auditing Services Revolving Account--State	
36	Appropriation \$	((13,540,000))
37		<u>13,193,000</u>

1 TOTAL APPROPRIATION \$ ((15,942,000))
 2 13,971,000

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

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

10 (2) ((~~\$910,000~~)) \$778,000 of the general fund--state appropriation
 11 for fiscal year 2002 ((~~and \$910,000 of the general fund--state~~
 12 ~~appropriation for fiscal year 2003 are~~)) is provided solely for staff
 13 and related costs to verify the accuracy of reported school district
 14 data submitted for state funding purposes; conduct school district
 15 program audits of state funded public school programs; establish the
 16 specific amount of state funding adjustments whenever audit exceptions
 17 occur and the amount is not firmly established in the course of regular
 18 public school audits; and to assist the state special education safety
 19 net committee when requested.

20 **Sec. 111.** 2001 2nd sp.s. c 7 s 125 (uncodified) is amended to read
 21 as follows:

22 **FOR THE ATTORNEY GENERAL**

23	General Fund--State Appropriation (FY 2002)	\$	4,811,000
24	General Fund--State Appropriation (FY 2003)	\$	4,806,000
25	General Fund--Federal Appropriation	\$	2,868,000
26	<u>General Fund--Private/Local Appropriation</u>	<u>\$</u>	<u>2,213,000</u>
27	Public Safety and Education Account--State		
28	Appropriation	\$	((1,789,000))
29			<u>1,723,000</u>
30	Tobacco Prevention and Control Account		
31	Appropriation	\$	277,000
32	New Motor Vehicle Arbitration Account--State		
33	Appropriation	\$	1,163,000
34	Legal Services Revolving Account--State		
35	Appropriation	\$	((147,306,000))
36			<u>143,521,000</u>
37	TOTAL APPROPRIATION	\$	((163,020,000))
38			<u>161,382,000</u>

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

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

9 (2) The attorney general and the office of financial management
10 shall modify the attorney general billing system to meet the needs of
11 user agencies for greater predictability, timeliness, and explanation
12 of how legal services are being used by the agency. The attorney
13 general shall provide the following information each month to agencies
14 receiving legal services: (a) The full-time equivalent attorney
15 services provided for the month; (b) the full-time equivalent
16 investigator services provided for the month; (c) the full-time
17 equivalent paralegal services provided for the month; and (d) direct
18 legal costs, such as filing and docket fees, charged to the agency for
19 the month.

20 (3) Prior to entering into any negotiated settlement of a claim
21 against the state, that exceeds five million dollars, the attorney
22 general shall notify the director of financial management and the
23 chairs of the senate committee on ways and means and the house of
24 representatives committee on appropriations.

25 **Sec. 112.** 2001 2nd sp.s. c 7 s 127 (uncodified) is amended to read
26 as follows:

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

28	((General Fund—State Appropriation (FY 2002) . . . \$	71,083,500
29	General Fund—State Appropriation (FY 2003) . . . \$	70,873,500
30	General Fund—Federal Appropriation \$	173,342,000
31	General Fund—Private/Local Appropriation \$	7,980,000
32	Public Safety and Education Account—State	
33	Appropriation \$	10,300,000
34	Public Works Assistance Account—State	
35	Appropriation \$	1,911,000
36	Film and Video Promotion Account—State	
37	Appropriation \$	25,000
38	Building Code Council Account—State	

1	Appropriation	\$	1,061,000
2	Administrative Contingency Account—State		
3	Appropriation	\$	1,777,000
4	Low Income Weatherization Assistance Account—State		
5	Appropriation	\$	3,292,000
6	Violence Reduction and Drug Enforcement Account—		
7	State Appropriation	\$	6,081,000
8	Manufactured Home Installation Training Account—		
9	State Appropriation	\$	256,000
10	Community Economic Development Account—		
11	State Appropriation	\$	113,000
12	Washington Housing Trust Account—State		
13	Appropriation	\$	5,597,000
14	Public Facility Construction Loan Revolving		
15	Account—State Appropriation	\$	550,000
16	TOTAL APPROPRIATION	\$	354,242,000

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

19 ~~(1) It is the intent of the legislature that the department of~~
20 ~~community, trade, and economic development receive separate~~
21 ~~programmatic allotments for the office of community development and the~~
22 ~~office of trade and economic development. Any appropriation made to~~
23 ~~the department of community, trade, and economic development for~~
24 ~~carrying out the powers, functions, and duties of either office shall~~
25 ~~be credited to the appropriate office.~~

26 ~~(2) \$3,085,000 of the general fund--state appropriation for fiscal~~
27 ~~year 2002 and \$3,085,000 of the general fund--state appropriation for~~
28 ~~fiscal year 2003 are provided solely for a contract with the Washington~~
29 ~~technology center. For work essential to the mission of the Washington~~
30 ~~technology center and conducted in partnership with universities, the~~
31 ~~center shall not pay any increased indirect rate nor increases in other~~
32 ~~indirect charges above the absolute amount paid during the 1995-97~~
33 ~~fiscal biennium.~~

34 ~~(3) \$61,000 of the general fund--state appropriation for fiscal~~
35 ~~year 2002 and \$62,000 of the general fund--state appropriation for~~
36 ~~fiscal year 2003 are provided solely for the implementation of the~~
37 ~~Puget Sound work plan and agency action item OCD-01.~~

1 ~~(4) \$10,403,445 of the general fund federal appropriation is~~
2 ~~provided solely for the drug control and system improvement formula~~
3 ~~grant program, to be distributed in state fiscal year 2002 as follows:~~
4 ~~(a) \$3,603,250 to local units of government to continue~~
5 ~~multijurisdictional narcotics task forces;~~
6 ~~(b) \$620,000 to the department to continue the drug prosecution~~
7 ~~assistance program in support of multijurisdictional narcotics task~~
8 ~~forces;~~
9 ~~(c) \$1,363,000 to the Washington state patrol for coordination,~~
10 ~~investigative, and supervisory support to the multijurisdictional~~
11 ~~narcotics task forces and for methamphetamine education and response;~~
12 ~~(d) \$200,000 to the department for grants to support tribal law~~
13 ~~enforcement needs;~~
14 ~~(e) \$991,000 to the department of social and health services,~~
15 ~~division of alcohol and substance abuse, for drug courts in eastern and~~
16 ~~western Washington;~~
17 ~~(f) \$302,551 to the department for training and technical~~
18 ~~assistance of public defenders representing clients with special needs;~~
19 ~~(g) \$88,000 to the department to continue a substance abuse~~
20 ~~treatment in jails program, to test the effect of treatment on future~~
21 ~~criminal behavior;~~
22 ~~(h) \$697,075 to the department to continue domestic violence legal~~
23 ~~advocacy;~~
24 ~~(i) \$903,000 to the department of social and health services,~~
25 ~~juvenile rehabilitation administration, to continue youth violence~~
26 ~~prevention and intervention projects;~~
27 ~~(j) \$60,000 to the Washington association of sheriffs and police~~
28 ~~chiefs to complete the state and local components of the national~~
29 ~~incident-based reporting system;~~
30 ~~(k) \$60,000 to the department for community-based advocacy services~~
31 ~~to victims of violent crime, other than sexual assault and domestic~~
32 ~~violence;~~
33 ~~(l) \$91,000 to the department to continue the governor's council on~~
34 ~~substance abuse;~~
35 ~~(m) \$99,000 to the department to continue evaluation of Byrne~~
36 ~~formula grant programs;~~
37 ~~(n) \$500,469 to the office of financial management for criminal~~
38 ~~history records improvement; and~~

1 ~~(o) \$825,100 to the department for required grant administration,~~
2 ~~monitoring, and reporting on Byrne formula grant programs.~~

3 ~~These amounts represent the maximum Byrne grant expenditure~~
4 ~~authority for each program. No program may expend Byrne grant funds in~~
5 ~~excess of the amounts provided in this subsection. If moneys in excess~~
6 ~~of those appropriated in this subsection become available, whether from~~
7 ~~prior or current fiscal year Byrne grant distributions, the department~~
8 ~~shall hold these moneys in reserve and may not expend them without~~
9 ~~specific appropriation. These moneys shall be carried forward and~~
10 ~~applied to the pool of moneys available for appropriation for programs~~
11 ~~and projects in the succeeding fiscal year. As part of its budget~~
12 ~~request for the succeeding year, the department shall estimate and~~
13 ~~request authority to spend any funds remaining in reserve as a result~~
14 ~~of this subsection.~~

15 ~~(5) \$470,000 of the general fund state appropriation for fiscal~~
16 ~~year 2002 and \$470,000 of the general fund state appropriation for~~
17 ~~fiscal year 2003 are provided solely for rural economic development~~
18 ~~activities including \$200,000 for the Washington manufacturing service,~~
19 ~~and \$100,000 for business retention and expansion.~~

20 ~~(6) \$1,250,000 of the general fund state appropriation for fiscal~~
21 ~~year 2002 and \$1,250,000 of the general fund state appropriation for~~
22 ~~fiscal year 2003 are provided solely for grants to operate, repair, and~~
23 ~~staff shelters for homeless families with children.~~

24 ~~(7) \$2,500,000 of the general fund state appropriation for fiscal~~
25 ~~year 2002 and \$2,500,000 of the general fund state appropriation for~~
26 ~~fiscal year 2003 are provided solely for grants to operate transitional~~
27 ~~housing for homeless families with children. The grants may also be~~
28 ~~used to make partial payments for rental assistance.~~

29 ~~(8) \$1,250,000 of the general fund state appropriation for fiscal~~
30 ~~year 2002 and \$1,250,000 of the general fund state appropriation for~~
31 ~~fiscal year 2003 are provided solely for consolidated emergency~~
32 ~~assistance to homeless families with children.~~

33 ~~(9) \$205,000 of the general fund state appropriation for fiscal~~
34 ~~year 2002 and \$205,000 of the general fund state appropriation for~~
35 ~~fiscal year 2003 are provided solely for grants to Washington Columbia~~
36 ~~river gorge counties to implement their responsibilities under the~~
37 ~~national scenic area management plan. Of this amount, \$390,000 is~~
38 ~~provided for Skamania county and \$20,000 is provided for Clark county.~~

1 ~~(10) \$698,000 of the general fund state appropriation for fiscal~~
2 ~~year 2002, \$698,000 of the general fund state appropriation for fiscal~~
3 ~~year 2003, and \$1,101,000 of the administrative contingency account~~
4 ~~appropriation are provided solely for contracting with associate~~
5 ~~development organizations to maintain existing programs.~~

6 ~~(11) \$600,000 of the public safety and education account~~
7 ~~appropriation is provided solely for sexual assault prevention and~~
8 ~~treatment programs.~~

9 ~~(12) \$680,000 of the Washington housing trust account appropriation~~
10 ~~is provided solely to conduct a pilot project designed to lower~~
11 ~~infrastructure costs for residential development.~~

12 ~~(13) \$50,000 of the general fund state appropriation for fiscal~~
13 ~~year 2002 and \$50,000 of the general fund state appropriation for~~
14 ~~fiscal year 2003 are provided to the department solely for providing~~
15 ~~technical assistance to developers of housing for farmworkers.~~

16 ~~(14) \$370,000 of the general fund state appropriation for fiscal~~
17 ~~year 2002, \$371,000 of the general fund state appropriation for fiscal~~
18 ~~year 2003, and \$25,000 of the film and video promotion account~~
19 ~~appropriation are provided solely for the film office to bring film and~~
20 ~~video production to Washington state.~~

21 ~~(15) \$22,000 of the general fund state appropriation for fiscal~~
22 ~~year 2002 and \$23,000 of the general fund state appropriation for~~
23 ~~fiscal year 2003 are provided solely as a matching grant to support the~~
24 ~~Washington state senior games. State funding shall be matched with at~~
25 ~~least an equal amount of private or local governmental funds.~~

26 ~~(16) \$500,000 of the general fund state appropriation for fiscal~~
27 ~~year 2002 and \$500,000 of the general fund state appropriation for~~
28 ~~fiscal year 2003 are provided solely for grants to food banks and food~~
29 ~~distribution centers to increase their ability to accept, store, and~~
30 ~~deliver perishable food.~~

31 ~~(17) \$230,000 of the general fund state appropriation for fiscal~~
32 ~~year 2002, \$230,000 of the general fund state appropriation for fiscal~~
33 ~~year 2003, and the entire community economic development account~~
34 ~~appropriation are provided solely for support of the developmental~~
35 ~~disabilities endowment governing board and startup costs of the~~
36 ~~endowment program. Startup costs are a loan from the state general~~
37 ~~fund and will be repaid from funds within the program as determined by~~
38 ~~the governing board. The governing board may use state appropriations~~
39 ~~to implement a sliding scale fee waiver for families earning below 150~~

1 percent of the state median family income. The director of the
2 department, or the director of the subsequent department of community
3 development, may implement fees to support the program as provided
4 under RCW 43.330.152.

5 (18) \$880,000 of the public safety and education account
6 appropriation is provided solely for community based legal advocates to
7 assist sexual assault victims with both civil and criminal justice
8 issues. If Senate Bill No. 5309 is not enacted by June 30, 2001, the
9 amount provided in this subsection shall lapse.

10 (19) \$65,000 of the general fund state appropriation for fiscal
11 year 2002 and \$65,000 of the general fund state appropriation for
12 fiscal year 2003 are provided solely for a contract with a food
13 distribution program for communities in the southwestern portion of the
14 state and for workers impacted by timber and salmon fishing closures
15 and reductions. The department may not charge administrative overhead
16 or expenses to the funds provided in this subsection.

17 (20) \$120,000 of the general fund state appropriation for fiscal
18 year 2002 and \$120,000 of the general fund state appropriation for
19 fiscal year 2003 are provided solely as one time pass through funding
20 to currently licensed overnight youth shelters.

21 (21) Repayments of outstanding loans granted under RCW 43.63A.600,
22 the mortgage and rental assistance program, shall be remitted to the
23 department, including any current revolving account balances. The
24 department shall contract with a lender or contract collection agent to
25 act as a collection agent of the state. The lender or contract
26 collection agent shall collect payments on outstanding loans, and
27 deposit them into an interest bearing account. The funds collected
28 shall be remitted to the department quarterly. Interest earned in the
29 account may be retained by the lender or contract collection agent, and
30 shall be considered a fee for processing payments on behalf of the
31 state. Repayments of loans granted under this chapter shall be made to
32 the lender or contract collection agent as long as the loan is
33 outstanding, notwithstanding the repeal of the chapter.

34 (22) \$75,000 of the general fund state appropriation for fiscal
35 year 2002 and \$75,000 of the general fund state appropriation for
36 fiscal year 2003 are provided solely for the community connections
37 program in Walla Walla.

38 (23) \$100,000 of the general fund state appropriation for fiscal
39 year 2002 and \$100,000 of the general fund state appropriation for

1 fiscal year 2003 are provided to the office of community development
2 solely for the purposes of providing assistance to industrial workers
3 who have been displaced by energy cost related industrial plant
4 closures in rural counties. For purposes of this subsection, "rural
5 county" is as defined in RCW 82.14.370(5). The office of community
6 development shall distribute the amount in this subsection to community
7 agencies that assist the displaced industrial workers in meeting basic
8 needs including, but not limited to, emergency medical and dental
9 services, family and mental health counseling, food, energy costs,
10 mortgage, and rental costs. The department shall not retain more than
11 two percent of the amount provided in this subsection for
12 administrative costs.

13 (24) \$91,500 of the general fund state appropriation for fiscal
14 year 2002 and \$91,500 of the general fund state appropriation for
15 fiscal year 2003 are provided solely for services related to the
16 foreign representative contract for Japan.

17 (25) \$81,000 of the general fund state appropriation for fiscal
18 year 2002 and \$81,000 of the general fund state appropriation for
19 fiscal year 2003 are provided solely for business finance and loan
20 programs.

21 (26) \$150,000 of the general fund state appropriation for fiscal
22 year 2002 is provided solely for the quick sites initiative program.

23 (27) \$120,000 of the general fund state appropriation for fiscal
24 year 2002 and \$120,000 of the general fund state appropriation for
25 fiscal year 2003 are provided solely for operating a business
26 information hotline.

27 (28) \$29,000 of the general fund state appropriation for fiscal
28 year 2002 and \$29,000 of the general fund state appropriation for
29 fiscal year 2003 are provided solely for travel expenses associated
30 with the office of trade and economic development's provision of
31 outreach and technical assistance services to businesses and local
32 economic development associations.

33 (29) \$100,000 of the general fund state appropriation for fiscal
34 year 2002 and \$100,000 of the general fund state appropriation for
35 fiscal year 2003 are provided solely for information technology
36 enhancements designed to improve the delivery of agency services to
37 customers.))

38 (1) Appropriations made in this act to the department of community,
39 trade, and economic development shall be initially allotted as required

1 by this act, except as provided in subsection (3) of this section.
2 Subsequent allotment modifications shall not include transfers of
3 moneys between sections of this act except as expressly provided in
4 subsection (2) of this section.

5 (2)(a) The appropriations to the department of community, trade,
6 and economic development in this act shall be expended for the programs
7 and in the amounts specified in sections 113, 114, and 115 of this act.
8 However, after May 1, 2002, unless specifically prohibited by this act,
9 the department may transfer general fund--state moneys for fiscal year
10 2002 among programs after approval by the director of financial
11 management. However, the department shall not transfer state moneys
12 that are provided solely for a specified purpose.

13 (b) After May 1, 2003, after approval by the director of financial
14 management and unless specifically prohibited by this act, the
15 department may transfer moneys among programs, including moneys that
16 are provided for a specified purpose.

17 (c) The director of financial management shall notify the
18 appropriate fiscal committees of the senate and house of
19 representatives in writing prior to approving any allotment
20 modifications provided for in this section.

21 (3) Any appropriations made to the department of community, trade,
22 and economic development for carrying out the powers, functions, and
23 duties of either the department of community development or the
24 department of trade and economic development shall be transferred and
25 credited to the appropriate department to implement Z-0961/02
26 (splitting the department of community, trade, and economic
27 development). The director of financial management shall make a
28 determination as to the proper allocation and certify that allocation
29 to the state agencies concerned.

30 NEW SECTION. Sec. 113. A new section is added to 2001 2nd sp.s.
31 c 7 (uncodified) to read as follows:

32 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT,**
33 **OFFICE OF COMMUNITY DEVELOPMENT.**

34	General Fund--State Appropriation (FY 2002) . . . \$	51,715,000
35	General Fund--State Appropriation (FY 2003) . . . \$	42,292,000
36	General Fund--Federal Appropriation \$	161,157,000
37	General Fund--Private/Local Appropriation \$	6,579,000
38	Public Safety and Education Account--	

1	State Appropriation	\$	9,601,000
2	Public Works Assistance Account--		
3	State Appropriation	\$	1,481,000
4	Salmon Recovery Account--State Appropriation . .	\$	1,500,000
5	Building Code Council Account--State		
6	Appropriation	\$	970,000
7	Low Income Weatherization Assistance		
8	Account--State Appropriation	\$	3,221,000
9	Violence Reduction and Drug Enforcement		
10	Account--State Appropriation	\$	5,855,000
11	Manufactured Home Installation Training		
12	Account--State Appropriation	\$	216,000
13	Community Economic Development Account--		
14	State Appropriation	\$	113,000
15	Washington Housing Trust Account--		
16	State Appropriation	\$	5,724,000
17	TOTAL APPROPRIATION	\$	290,424,000

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

20 (1) \$61,000 of the general fund--state appropriation for fiscal
21 year 2002 and \$62,000 of the general fund--state appropriation for
22 fiscal year 2003 are provided solely for the implementation of the
23 Puget Sound work plan and agency action item OCD-01.

24 (2) \$20,419,814 of the general fund--federal appropriation is
25 provided solely for the drug control and system improvement formula
26 grant program, to be distributed in accordance with the recommendations
27 of the Byrne Grant Advisory Committee.

28 (3) \$1,250,000 of the general fund--state appropriation for fiscal
29 year 2002 is provided solely for grants to operate, repair, and staff
30 shelters for homeless families with children.

31 (4) \$2,500,000 of the general fund--state appropriation for fiscal
32 year 2002 is provided solely for grants to operate transitional housing
33 for homeless families with children. The grants may also be used to
34 make partial payments for rental assistance.

35 (5) \$1,250,000 of the general fund--state appropriation for fiscal
36 year 2002 is provided solely for consolidated emergency assistance to
37 homeless families with children.

38 (6) \$205,000 of the general fund--state appropriation for fiscal
39 year 2002 is provided solely for grants to Washington Columbia river

1 gorge counties to implement their responsibilities under the national
2 scenic area management plan. Of this amount, \$195,000 is provided for
3 Skamania county and \$10,000 is provided for Clark county.

4 (7) \$600,000 of the public safety and education account
5 appropriation is provided solely for sexual assault prevention and
6 treatment programs.

7 (8) \$50,000 of the general fund--state appropriation for fiscal
8 year 2002 is provided to the department solely for providing technical
9 assistance to developers of housing for farmworkers.

10 (9) \$22,000 of the general fund--state appropriation for fiscal
11 year 2002 is provided solely as a matching grant to support the
12 Washington state senior games. State funding shall be matched with at
13 least an equal amount of private or local governmental funds.

14 (10) \$500,000 of the general fund--state appropriation for fiscal
15 year 2002 is provided solely for grants to food banks and food
16 distribution centers to increase their ability to accept, store, and
17 deliver perishable food.

18 (11) \$880,000 of the public safety and education account
19 appropriation is provided solely for community-based legal advocates to
20 assist sexual assault victims with both civil and criminal justice
21 issues. If Senate Bill No. 5309 is not enacted by June 30, 2001, the
22 amount provided in this subsection shall lapse.

23 (12) \$65,000 of the general fund--state appropriation for fiscal
24 year 2002 is provided solely for a contract with a food distribution
25 program for communities in the southwestern portion of the state and
26 for workers impacted by timber and salmon fishing closures and
27 reductions. The department may not charge administrative overhead or
28 expenses to the funds provided in this subsection.

29 (13) \$120,000 of the general fund--state appropriation for fiscal
30 year 2002 is provided solely as one-time pass-through funding to
31 currently licensed overnight youth shelters.

32 (14) \$75,000 of the general fund--state appropriation for fiscal
33 year 2002 is provided solely for the community connections program in
34 Walla Walla.

35 (15) \$100,000 of the general fund--state appropriation for fiscal
36 year 2002 is provided to the office of community development solely for
37 the purposes of providing assistance to industrial workers who have
38 been displaced by energy cost-related industrial plant closures in
39 rural counties. For purposes of this subsection, "rural county" is as

1 defined in RCW 82.14.370(5). The office of community development shall
 2 distribute the amount in this subsection to community agencies that
 3 assist the displaced industrial workers in meeting basic needs
 4 including, but not limited to, emergency medical and dental services,
 5 family and mental health counseling, food, energy costs, mortgage, and
 6 rental costs. The department shall not retain more than two percent of
 7 the amount provided in this subsection for administrative costs.

8 (16) In the implementation of fiscal year 2003 reductions assumed
 9 in this section, the office of community development shall consider the
 10 impacts to its core mission and services to its customers in making
 11 reduction decisions. The office shall continue to focus on prudent
 12 fiscal management, including reductions to administrative support
 13 functions prior to reductions to direct services to its customers.

14 NEW SECTION. **Sec. 114.** A new section is added to 2001 2nd sp.s.
 15 c 7 (uncodified) to read as follows:

16 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT,**
 17 **OFFICE OF TRADE AND ECONOMIC DEVELOPMENT.**

18	General Fund--State Appropriation (FY 2002)	\$	14,378,000
19	General Fund--State Appropriation (FY 2003)	\$	12,359,000
20	General Fund--Federal Appropriation	\$	8,914,000
21	General Fund--Private/Local Appropriation	\$	600,000
22	Film and Video Promotion Account--		
23	State Appropriation	\$	22,000
24	Administrative Contingency Account--		
25	State Appropriation	\$	1,647,000
26	Public Facility Construction Loan		
27	Revolving Account--State Appropriation	\$	429,000
28	TOTAL APPROPRIATION	\$	38,349,000

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

31 (1) \$3,085,000 of the general fund--state appropriation for fiscal
 32 year 2002 and \$2,622,000 of the general fund--state appropriation for
 33 fiscal year 2003 are provided solely for a contract with the Washington
 34 technology center. For work essential to the mission of the Washington
 35 technology center and conducted in partnership with universities, the
 36 center shall not pay any increased indirect rate or increases in other
 37 indirect charges above the absolute amount paid during the 1995-97
 38 fiscal biennium.

1 (2) \$470,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$470,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for rural economic development
4 activities, including \$200,000 for the Washington manufacturing service
5 and \$100,000 for business retention and expansion.

6 (3) \$698,000 of the general fund--state appropriation for fiscal
7 year 2002, \$698,000 of the general fund--state appropriation for fiscal
8 year 2003, and \$1,101,000 of the administrative contingency account
9 appropriation are provided solely for contracting with associate
10 development organizations to maintain existing programs.

11 (4) \$91,500 of the general fund--state appropriation for fiscal
12 year 2002 is provided solely for services related to the foreign
13 representative contract for Japan.

14 (5) \$81,000 of the general fund--state appropriation for fiscal
15 year 2002 is provided solely for business finance and loan programs.

16 (6) \$150,000 of the general fund--state appropriation for fiscal
17 year 2002 is provided solely for the quick sites initiative program.

18 (7) \$120,000 of the general fund--state appropriation for fiscal
19 year 2002 is provided solely for operating a business information
20 hotline.

21 (8) \$29,000 of the general fund--state appropriation for fiscal
22 year 2002 is provided solely for travel expenses associated with the
23 office of trade and economic development's provision of outreach and
24 technical assistance services to businesses and local economic
25 development associations.

26 NEW SECTION. **Sec. 115.** A new section is added to 2001 2nd sp.s.
27 c 7 (uncodified) to read as follows:

28 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT,**
29 **ADMINISTRATIVE SERVICES.**

30	General Fund--State Appropriation (FY 2002) . . . \$	4,699,500
31	General Fund--State Appropriation (FY 2003) . . . \$	4,591,500
32	General Fund--Federal Appropriation \$	3,271,000
33	General Fund--Private/Local Appropriation \$	801,000
34	Public Safety and Education Account--	
35	State Appropriation \$	320,000
36	Public Works Assistance Account--	
37	State Appropriation \$	430,000
38	Building Code Council Account--	

1	State Appropriation	\$	256,000
2	Administrative Contingency Account--		
3	State Appropriation	\$	130,000
4	Low Income Weatherization Assistance Account--		
5	State Appropriation	\$	71,000
6	Violence Reduction and Drug Enforcement		
7	Account--State Appropriation	\$	226,000
8	Manufactured Home Installation Training		
9	Account--State Appropriation	\$	40,000
10	Washington Housing Trust Account--		
11	State Appropriation	\$	1,229,000
12	Public Facility Construction Loan Revolving		
13	Account--State Appropriation	\$	157,000
14	TOTAL APPROPRIATION	\$	16,222,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: \$100,000 of the general fund--state
17 appropriation for fiscal year 2002 is provided solely for information
18 technology enhancements designed to improve the delivery of agency
19 services to customers.

20 **Sec. 116.** 2001 2nd sp.s. c 7 s 129 (uncodified) is amended to read
21 as follows:

22 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

23	General Fund--State Appropriation (FY 2002) . . .	\$	12,456,000
24	General Fund--State Appropriation (FY 2003) . . .	\$	((12,024,000))
25			<u>11,784,000</u>
26	General Fund--Federal Appropriation	\$	23,657,000
27	Violence Reduction and Drug Enforcement		
28	Account--State Appropriation	\$	229,000
29	State Auditing Services Revolving		
30	Account--State Appropriation	\$	25,000
31	<u>Risk Management Account--State Appropriation</u> . .	\$	<u>1,460,000</u>
32	TOTAL APPROPRIATION	\$	((48,391,000))
33			<u>49,611,000</u>

34 The appropriations in this section are subject to the following
35 conditions and limitations: The office of financial management shall
36 review policies and procedures regarding purchasing of information
37 technology upgrades by state agencies. Information technology upgrades

1 include replacement workstations, network equipment, operating systems
2 and application software. The review shall document existing policies
3 and procedures, and shall compare alternative upgrade policies that
4 reduce the overall cost to state government for maintaining adequate
5 information technology to meet the existing business needs of state
6 agencies. Findings and recommendations from this review shall be
7 reported to appropriate committees of the legislature by December 1,
8 2001.

9 **Sec. 117.** 2001 2nd sp.s. c 7 s 131 (uncodified) is amended to read
10 as follows:

11 **FOR THE DEPARTMENT OF PERSONNEL**

12	Department of Personnel Service Account--State	
13	Appropriation	\$ 17,297,000
14	Higher Education Personnel Services Account--State	
15	Appropriation	\$ 1,636,000
16	TOTAL APPROPRIATION	\$ 18,933,000

17 The appropriations in this section are subject to the following
18 conditions and limitations: The department of personnel may charge
19 agencies, through the data processing revolving account, up to \$561,000
20 in fiscal year 2002 to (~~study the development of a new personnel and~~
21 ~~payroll system~~) conduct system maintenance, modifications, and
22 upgrades to the current system. Planning and subcontracting costs
23 associated with the development of a new personnel and payroll system
24 may be included in these charges. Funding to cover these expenses
25 shall be realized from agency FICA savings associated with the pretax
26 benefits contributions plans. Funding is subject to section 902 of
27 this act.

28 **Sec. 118.** 2001 2nd sp.s. c 7 s 133 (uncodified) is amended to read
29 as follows:

30 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

31	General Fund--State Appropriation (FY 2002) . . .	\$ 226,000
32	General Fund--State Appropriation (FY 2003) . . .	\$ ((234,000))
33		<u>210,000</u>
34	TOTAL APPROPRIATION	\$ ((460,000))
35		<u>436,000</u>

1 **Sec. 119.** 2001 2nd sp.s. c 7 s 134 (uncodified) is amended to read
2 as follows:

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

4	General Fund--State Appropriation (FY 2002) . . . \$	211,000
5	General Fund--State Appropriation (FY 2003) . . . \$	((209,000))
6		<u>207,000</u>
7	TOTAL APPROPRIATION \$	((420,000))
8		<u>418,000</u>

9 **Sec. 120.** 2001 2nd sp.s. c 7 s 136 (uncodified) is amended to read
10 as follows:

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

12	Dependent Care Administrative Account--State	
13	Appropriation \$	378,000
14	Department of Retirement Systems Expense Account--	
15	State Appropriation \$	((49,562,000))
16		<u>49,292,000</u>
17	TOTAL APPROPRIATION \$	((49,940,000))
18		<u>49,670,000</u>

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

21 (1) \$1,000,000 of the department of retirement systems expense
22 account appropriation is provided solely for support of the information
23 systems project known as the electronic document image management
24 system.

25 (2) \$120,000 of the department of retirement systems expense
26 account appropriation is provided solely for locating inactive members
27 entitled to retirement benefits.

28 (3) \$117,000 of the department of retirement systems expense
29 account appropriation is provided solely for modifications to the
30 retirement information systems to accommodate tracking of
31 postretirement employment on an hourly basis.

32 (4) \$440,000 of the department of retirement systems expense
33 account is provided solely for the implementation of Engrossed Senate
34 Bill No. 5143 (Washington state patrol retirement systems plan 2).

35 (5) \$6,420,000 of the department of retirement systems expense
36 account is provided solely for the implementation of public employees'
37 retirement system plan 3 (chapter 247, Laws of 2000).

1 a committee on taxation to study the elasticity, equity, and adequacy
2 of the state's tax system.

3 (1) The committee shall consist of eleven members. The department
4 shall appoint six academic scholars from the fields of economics,
5 taxation, business administration, public administration, public
6 policy, and other relevant disciplines as determined by the department,
7 after consulting with the majority and minority leaders in the senate,
8 the co-speakers in the house of representatives, the chair of the ways
9 and means committee in the senate, and the co-chairs of the finance
10 committee in the house of representatives. The governor and the chairs
11 of the majority and minority caucuses in each house of the legislature
12 shall each appoint one member to the committee. These appointments may
13 be legislative members. The members of the committee shall either
14 elect a voting chair from among their membership or a nonvoting chair
15 who is not a member of the committee. Members of the committee shall
16 serve without compensation but shall be reimbursed for travel expenses
17 under RCW 43.03.050 and 43.03.060.

18 (2) The purpose of the study is to determine how well the current
19 tax system functions and how it might be changed to better serve the
20 citizens of the state in the twenty-first century. In reviewing
21 options for changes to the tax system, the committee shall develop
22 multiple alternatives to the existing tax system. To the extent
23 possible, the alternatives shall be designed to increase the harmony
24 between the tax system of this state and the surrounding states,
25 encourage commerce and business creation, and encourage home ownership.
26 In developing alternatives, the committee shall examine and consider
27 the effects of tax incentives, including exemptions, deferrals, and
28 credits. The alternatives shall range from incremental improvements in
29 the current tax structure to complete replacement of the tax structure.
30 In conducting the study, the committee shall examine the tax structures
31 of other states and review previous studies regarding tax reform in
32 this state. In developing alternatives, the committee shall be guided
33 by administrative simplicity, economic neutrality, fairness, stability,
34 and transparency. Most of the alternatives presented by the committee
35 to the legislature shall be revenue neutral and contain no income tax.

36 (3) The department shall create an advisory group to include, but
37 not be limited to, representatives of business, state agencies, local
38 governments, labor, taxpayers, and other advocacy groups. The group
39 shall provide advice and assistance to the committee.

1 (4) The committee shall present a final report of its findings and
2 alternatives to the ways and means committee in the senate and the
3 finance committee in the house of representatives by November 30, 2002.

4 **Sec. 123.** 2001 2nd sp.s. c 7 s 139 (uncodified) is amended to read
5 as follows:

6 **FOR THE BOARD OF TAX APPEALS**

7	General Fund--State Appropriation (FY 2002) . . . \$	((1,193,000))
8		<u>1,162,000</u>
9	General Fund--State Appropriation (FY 2003) . . . \$	((1,038,000))
10		<u>1,017,000</u>
11	TOTAL APPROPRIATION \$	((2,231,000))
12		<u>2,179,000</u>

13 **Sec. 124.** 2001 2nd sp.s. c 7 s 142 (uncodified) is amended to read
14 as follows:

15 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

16	General Fund--State Appropriation (FY 2002) . . . \$	549,000
17	General Fund--State Appropriation (FY 2003) . . . \$	630,000
18	General Fund--Federal Appropriation \$	1,930,000
19	General Fund--Private/Local Appropriation \$	((444,000))
20		<u>223,000</u>
21	State Capitol Vehicle Parking Account--	
22	State Appropriation \$	154,000
23	General Administration Services Account--State	
24	Appropriation \$	((41,419,000))
25		<u>39,538,000</u>
26	TOTAL APPROPRIATION \$	((45,126,000))
27		<u>43,024,000</u>

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

30 (1) The department shall conduct a review of the ultimate
31 purchasing system to evaluate the following: (a) The degree to which
32 program objectives and assumptions were achieved; (b) the degree to
33 which planned schedule of phases, tasks, and activities were
34 accomplished; (c) an assessment of estimated and actual costs of each
35 phase; (d) an assessment of project cost recovery/cost avoidance,
36 return on investment, and measurable outcomes as each relate to the
37 agency's business functions and other agencies' business functions; and

1 (e) the degree to which integration with the agency and state
2 information technology infrastructure was achieved. The department
3 will receive written input from participating pilot agencies that
4 describes measurable organizational benefits and cost avoidance
5 opportunities derived from use of the ultimate purchasing system. The
6 performance review shall be submitted to the office of financial
7 management and the appropriate legislative fiscal committees by July 1,
8 2002.

9 (2) \$60,000 of the general administration services account
10 appropriation is provided solely for costs associated with the
11 development of the information technology architecture to link the risk
12 management information system and the tort division's case management
13 system, and the reconciliation of defense cost reimbursement
14 information.

15 **Sec. 125.** 2001 2nd sp.s. c 7 s 143 (uncodified) is amended to read
16 as follows:

17 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

18 Data Processing Revolving Account--State

19 Appropriation \$ ((3,706,000))
20 3,610,000

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

23 (1) Fifteen independent private, nonprofit colleges, located in
24 Washington state, have requested connection to the K-20 educational
25 telecommunications network. These K-20 connections shall be provided
26 to the private schools on a full cost reimbursement basis, net of the
27 value of services and information provided by the private institutions,
28 based on criteria approved by the K-20 board.

29 (2) Some private K-12 schools have requested limited "pilot
30 connections" to the K-20 network to test the technical and economic
31 feasibility of one or more connection models. These K-20 connections
32 shall be provided to the private K-12 schools on a full cost
33 reimbursement basis, net of the value of services and information
34 provided by the private K-12 schools based on criteria approved by the
35 K-20 board.

36 (3) In the 2001-03 biennium, the department shall incorporate
37 statewide elements for a common technology infrastructure into the

1 state strategic information technology plan that state agencies shall
2 then use in establishing individual agency business applications.

3 (4) The department shall implement the \$10,800,000 service rate
4 reduction it proposed on August 14, 2000.

5 **Sec. 126.** 2001 2nd sp.s. c 7 s 144 (uncodified) is amended to read
6 as follows:

7 **FOR THE INSURANCE COMMISSIONER**

8	General Fund--Federal Appropriation	\$	622,000
9	Insurance Commissioners Regulatory Account--State		
10	Appropriation	\$	((29,053,000))
11			<u>30,028,000</u>
12	TOTAL APPROPRIATION	\$	((29,675,000))
13			<u>30,650,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations: \$693,000 of the insurance commissioner's
16 regulatory account appropriation is provided solely for moving and
17 renovation costs associated with the colocation of the agency's
18 Olympia-area facilities. Expenditures from this amount shall be
19 subject to the approval of the department of general administration.

20 **Sec. 127.** 2001 2nd sp.s. c 7 s 148 (uncodified) is amended to read
21 as follows:

22 **FOR THE LIQUOR CONTROL BOARD**

23	General Fund--State Appropriation (FY 2002)	\$	1,483,000
24	General Fund--State Appropriation (FY 2003)	\$	((1,484,000))
25			<u>1,410,000</u>
26	Liquor Control Board Construction and Maintenance		
27	Account--State Appropriation	\$	((8,114,000))
28			<u>10,188,000</u>
29	Liquor Revolving Account--State		
30	Appropriation	\$	((142,148,000))
31			<u>127,986,000</u>
32	TOTAL APPROPRIATION	\$	((153,229,000))
33			<u>141,067,000</u>

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

1 (1) \$1,573,000 of the liquor revolving account appropriation is
 2 provided solely for the agency information technology upgrade. This
 3 amount provided in this subsection is conditioned upon satisfying the
 4 requirements of section 902 of this act.

5 (2) \$4,803,000 of the liquor revolving account appropriation is
 6 provided solely for the costs associated with the development and
 7 implementation of a merchandising business system. Expenditures of any
 8 funds for this system are conditioned upon the approval of the
 9 merchandising business system's feasibility study by the information
 10 services board. The amount provided in this subsection is also
 11 conditioned upon satisfying the requirements of section 902 of this
 12 act.

13 (3) \$1,486,000 of the liquor control board construction and
 14 maintenance account appropriation is provided solely for the continued
 15 operation of the temporary distribution center.

16 (4) \$588,000 of the liquor revolving account appropriation is
 17 provided solely for staffing costs associated with full implementation
 18 of the Seattle distribution center's material handling system.

19 **Sec. 128.** 2001 2nd sp.s. c 7 s 151 (uncodified) is amended to read
 20 as follows:

21 **FOR THE MILITARY DEPARTMENT**

22	General Fund--State Appropriation (FY 2002) . . . \$	9,165,000
23	General Fund--State Appropriation (FY 2003) . . . \$	((8,979,000))
24		<u>8,530,000</u>
25	General Fund--Federal Appropriation \$	22,509,000
26	General Fund--Private/Local Appropriation \$	234,000
27	Enhanced 911 Account--State Appropriation \$	((16,544,000))
28		<u>21,442,000</u>
29	Disaster Response Account--State Appropriation . \$	((582,000))
30		<u>1,906,000</u>
31	Disaster Response Account--Federal Appropriation \$	((3,392,000))
32		<u>6,510,000</u>
33	Worker and Community Right to Know Fund--State	
34	Appropriation \$	283,000
35	Nisqually Earthquake Account--State	
36	Appropriation \$	((37,884,000))
37		<u>38,375,000</u>
38	Nisqually Earthquake Account--Federal	

1	Appropriation	\$	((157,795,000))
2			<u>157,563,000</u>
3	TOTAL APPROPRIATION	\$	((257,367,000))
4			<u>266,517,000</u>

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

7 (1) ((~~\$582,000~~)) \$1,906,000 of the disaster response account--state
8 appropriation is provided solely for the state share of response and
9 recovery costs associated with federal emergency management agency
10 (FEMA) disasters approved in the 1999-01 biennium budget. The military
11 department may, upon approval of the director of financial management,
12 use portions of the disaster response account--state appropriation to
13 offset costs of new disasters occurring before June 30, 2003. The
14 military department shall submit a report quarterly to the office of
15 financial management and the legislative fiscal committees detailing
16 disaster costs, including: (a) Estimates of total costs; (b)
17 incremental changes from the previous estimate; (c) actual
18 expenditures; (d) estimates of total remaining costs to be paid; and
19 (d) estimates of future payments by biennium. This information shall
20 be displayed by individual disaster, by fund, and by type of
21 assistance. The military department shall also submit a report
22 quarterly to the office of financial management and the legislative
23 fiscal committees detailing information on the disaster response
24 account, including: (a) The amount and type of deposits into the
25 account; (b) the current available fund balance as of the reporting
26 date; and (c) the projected fund balance at the end of the 2001-03
27 biennium based on current revenue and expenditure patterns.

28 (2) \$100,000 of the general fund--state fiscal year 2002
29 appropriation and \$100,000 of the general fund--state fiscal year 2003
30 appropriation are provided solely for implementation of the conditional
31 scholarship program pursuant to chapter 28B.103 RCW.

32 (3) \$60,000 of the general fund--state appropriation for fiscal
33 year 2002 and \$60,000 of the general fund--state appropriation for
34 fiscal year 2003 are provided solely for the implementation of Senate
35 Bill No. 5256 (emergency management compact). If the bill is not
36 enacted by June 30, 2001, the amounts provided in this subsection shall
37 lapse.

38 (4) \$35,000 of the general fund--state fiscal year 2002
39 appropriation and \$35,000 of the general fund--state fiscal year 2003

1 appropriation are provided solely for the north county emergency
2 medical service.

3 (5) (~~(\$1,374,000)~~) \$1,865,000 of the Nisqually earthquake account--
4 state appropriation and (~~(\$3,861,000)~~) \$3,629,000 of the Nisqually
5 earthquake account--federal appropriation are provided solely for the
6 military department's costs associated with coordinating the state's
7 response to the February 28, 2001, earthquake.

8 (6) \$1,347,000 of the Nisqually earthquake account--state
9 appropriation and \$5,359,000 of the Nisqually earthquake account--
10 federal appropriation are provided solely for mitigation costs
11 associated with the earthquake for state and local agencies. Of the
12 amount from the Nisqually earthquake account--state appropriation,
13 \$898,000 is provided for the state matching share for state agencies
14 and \$449,000 is provided for one-half of the local matching share for
15 local entities. The amount provided for the local matching share
16 constitutes a revenue distribution for purposes of RCW 43.135.060(1).

17 (7) \$35,163,000 of the Nisqually earthquake account--state
18 appropriation and \$148,575,000 of the Nisqually earthquake account--
19 federal appropriation are provided solely for public assistance costs
20 associated with the earthquake for state and local agencies. Of the
21 amount from the Nisqually earthquake account--state appropriation,
22 \$20,801,000 is provided for the state matching share for state agencies
23 and \$14,362,000 is provided for one-half of the local matching share
24 for local entities. The amount provided for the local matching share
25 constitutes a revenue distribution for purposes of RCW 43.135.060(1).
26 Upon approval of the director of financial management, the military
27 department may use portions of the Nisqually earthquake account--state
28 appropriations to cover other response and recovery costs associated
29 with the Nisqually earthquake that are not eligible for federal
30 emergency management agency reimbursement. The military department is
31 to submit a quarterly report detailing the costs authorized under this
32 subsection to the office of financial management and the legislative
33 fiscal committees.

34 **Sec. 129.** 2001 2nd sp.s. c 7 s 152 (uncodified) is amended to read
35 as follows:

36 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

37 General Fund--State Appropriation (FY 2002) . . . \$ (~~(2,154,000)~~)
38 2,225,000

1 among programs, including federal moneys that are provided solely for
2 a specified purpose. The director of financial management shall notify
3 the appropriate fiscal committees of the senate and house of
4 representatives in writing prior to approving any allotment
5 modifications.

6 (4) In the event the department receives additional unrestricted
7 federal funds or achieves savings in excess of that anticipated in this
8 act, the department shall use up to \$5,000,000 of such funds to
9 initiate a pilot project providing integrated support services to
10 homeless individuals needing mental health services, alcohol or
11 substance abuse treatment, medical care, or who demonstrate community
12 safety concerns. Before such a pilot project is initiated, the
13 department shall notify the fiscal committees of the legislature of the
14 plans for such a pilot project including the source of funds to be
15 used.

16 **Sec. 202.** 2001 2nd sp.s. c 7 s 202 (uncodified) is amended to read
17 as follows:

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

20	General Fund--State Appropriation (FY 2002) . . . \$	((225,789,000))
21		<u>221,554,000</u>
22	General Fund--State Appropriation (FY 2003) . . . \$	((239,013,000))
23		<u>219,524,000</u>
24	General Fund--Federal Appropriation \$	((372,408,000))
25		<u>361,421,000</u>
26	General Fund--Private/Local Appropriation \$	400,000
27	Public Safety and Education Account--	
28	State Appropriation \$	((987,000))
29		<u>950,000</u>
30	Violence Reduction and Drug Enforcement Account--	
31	State Appropriation \$	((5,702,000))
32		<u>3,598,000</u>
33	TOTAL APPROPRIATION \$	((844,299,000))
34		<u>807,447,000</u>

35 ~~((The appropriations in this section are subject to the following~~
36 ~~conditions and limitations:~~

37 ~~(1) \$2,237,000 of the fiscal year 2002 general fund--state~~
38 ~~appropriation, \$2,288,000 of the fiscal year 2003 general fund--state~~

1 appropriation, and \$1,590,000 of the general fund federal
2 appropriation are provided solely for the category of services titled
3 "intensive family preservation services."

4 (2) \$685,000 of the general fund state fiscal year 2002
5 appropriation and \$701,000 of the general fund state fiscal year 2003
6 appropriation are provided to contract for the operation of one
7 pediatric interim care facility. The facility shall provide
8 residential care for up to thirteen children through two years of age.
9 Seventy five percent of the children served by the facility must be in
10 need of special care as a result of substance abuse by their mothers.
11 The facility shall also provide on site training to biological,
12 adoptive, or foster parents. The facility shall provide at least three
13 months of consultation and support to parents accepting placement of
14 children from the facility. The facility may recruit new and current
15 foster and adoptive parents for infants served by the facility. The
16 department shall not require case management as a condition of the
17 contract.

18 (3) \$524,000 of the general fund state fiscal year 2002
19 appropriation and \$536,000 of the general fund state fiscal year 2003
20 appropriation are provided for up to three nonfacility based programs
21 for the training, consultation, support, and recruitment of biological,
22 foster, and adoptive parents of children through age three in need of
23 special care as a result of substance abuse by their mothers, except
24 that each program may serve up to three medically fragile nonsubstance-
25 abuse-affected children. In selecting nonfacility based programs,
26 preference shall be given to programs whose federal or private funding
27 sources have expired or that have successfully performed under the
28 existing pediatric interim care program.

29 (4) \$1,260,000 of the fiscal year 2002 general fund state
30 appropriation, \$1,248,000 of the fiscal year 2003 general fund state
31 appropriation, and \$4,196,000 of the violence reduction and drug
32 enforcement account appropriation are provided solely for the family
33 policy council and community public health and safety networks. The
34 funding level for the family policy council and community public health
35 and safety networks represents a 25 percent reduction below the funding
36 level for the 1999-2001 biennium. Funding levels shall be reduced 25
37 percent for both the family policy council and network grants.
38 Reductions to network grants shall be allocated so as to maintain
39 current funding levels, to the greatest extent possible, for projects

1 with the strongest evidence of positive outcomes and for networks with
2 substantial compliance with contracts for network grants.

3 (5) ~~\$2,215,000 of the fiscal year 2002 general fund state~~
4 ~~appropriation, \$4,394,000 of the fiscal year 2003 general fund state~~
5 ~~appropriation, and \$5,604,000 of the general fund federal~~
6 ~~appropriation are provided solely for reducing the average caseload~~
7 ~~level per case-carrying social worker. Average caseload reductions are~~
8 ~~intended to increase the amount of time social workers spend in direct~~
9 ~~contact with the children, families, and foster parents involved with~~
10 ~~their open cases. The department shall use some of the funds provided~~
11 ~~in several local offices to increase staff that support case-carrying~~
12 ~~social workers in ways that will allow social workers to increase~~
13 ~~direct contact time with children, families, and foster parents. To~~
14 ~~achieve the goal of reaching an average caseload ratio of 1:24 by the~~
15 ~~end of fiscal year 2003, the department shall develop a plan for~~
16 ~~redeploying 30 FTEs to case-carrying social worker and support~~
17 ~~positions from other areas in the children and family services budget.~~
18 ~~The FTE redeployment plan shall be submitted to the fiscal committees~~
19 ~~of the legislature by December 1, 2001.~~

20 (6) ~~\$1,000,000 of the fiscal year 2002 general fund state~~
21 ~~appropriation and \$1,000,000 of the fiscal year 2003 general fund~~
22 ~~state appropriation are provided solely for increasing foster parent~~
23 ~~respite care services that improve the retention of foster parents and~~
24 ~~increase the stability of foster placements. The department shall~~
25 ~~report quarterly to the appropriate committees of the legislature~~
26 ~~progress against appropriate baseline measures for foster parent~~
27 ~~retention and stability of foster placements.~~

28 (7) ~~\$1,050,000 of the general fund federal appropriation is~~
29 ~~provided solely for increasing kinship care placements for children who~~
30 ~~otherwise would likely be placed in foster care. These funds shall be~~
31 ~~used for extraordinary costs incurred by relatives at the time of~~
32 ~~placement, or for extraordinary costs incurred by relatives after~~
33 ~~placement if such costs would likely cause a disruption in the kinship~~
34 ~~care placement. \$50,000 of the funds provided shall be contracted to~~
35 ~~the Washington institute for public policy to conduct a study of~~
36 ~~kinship care placements. The study shall examine the prevalence and~~
37 ~~needs of families who are raising related children and shall compare~~
38 ~~services and policies of Washington state with other states that have~~
39 ~~a higher rate of kinship care placements in lieu of foster care~~

1 placements. The study shall identify possible changes in services and
2 policies that are likely to increase appropriate kinship care
3 placements.

4 (8) ~~\$3,386,000 of the fiscal year 2002 general fund state~~
5 ~~appropriation, \$7,671,000 of the fiscal year 2003 general fund state~~
6 ~~appropriation, and \$20,819,000 of the general fund federal~~
7 ~~appropriation are provided solely for increases in the cost per case~~
8 ~~for foster care and adoption support. \$16,000,000 of the general~~
9 ~~fund federal amount shall remain unallotted until the office of~~
10 ~~financial management approves a plan submitted by the department to~~
11 ~~achieve a higher rate of federal earnings in the foster care program.~~
12 ~~That plan shall also be submitted to the fiscal committees of the~~
13 ~~legislature and shall indicate projected federal revenue compared to~~
14 ~~actual fiscal year 2001 levels. Within the amounts provided for foster~~
15 ~~care, the department shall increase the basic rate for foster care to~~
16 ~~an average of \$420 per month on July 1, 2001, and to an average of \$440~~
17 ~~per month on July 1, 2002. The department shall use the remaining~~
18 ~~funds provided in this subsection to pay for increases in the cost per~~
19 ~~case for foster care and adoption support. The department shall seek~~
20 ~~to control rate increases and reimbursement decisions for foster care~~
21 ~~and adoption support cases such that the cost per case for family~~
22 ~~foster care, group care, receiving homes, and adoption support does not~~
23 ~~exceed the amount assumed in the projected caseload expenditures plus~~
24 ~~the amounts provided in this subsection.~~

25 (9) ~~\$1,767,000 of the general fund state appropriation for fiscal~~
26 ~~year 2002, \$2,461,000 of the general fund state appropriation for~~
27 ~~fiscal year 2003, and \$1,485,000 of the general fund federal~~
28 ~~appropriation are provided solely for rate and capacity increases for~~
29 ~~child placing agencies. Child placing agencies shall increase their~~
30 ~~capacity by 15 percent in fiscal year 2002 and 30 percent in fiscal~~
31 ~~year 2003.~~

32 (10) ~~The department shall provide secure crisis residential~~
33 ~~facilities across the state in a manner that: (a) Retains geographic~~
34 ~~provision of these services; and (b) retains beds in high use areas.~~

35 (11) ~~\$125,000 of the general fund state appropriation for fiscal~~
36 ~~year 2002 and \$125,000 of the general fund state appropriation for~~
37 ~~fiscal year 2003 are provided solely for a foster parent retention~~
38 ~~program. This program is directed at foster parents caring for~~

1 children who act out sexually, as described in House Bill No. 1525
2 (~~foster parent retention program~~.)

3 **Sec. 203.** 2001 2nd sp.s. c 7 s 203 (uncodified) is amended to read
4 as follows:

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

7 (~~((1) COMMUNITY SERVICES))~~)

8	General Fund--State Appropriation (FY 2002) . . . \$	((36,625,000))
9		<u>84,324,000</u>
10	General Fund--State Appropriation (FY 2003) . . . \$	((38,125,000))
11		<u>77,190,000</u>
12	General Fund--Federal Appropriation \$	((14,609,000))
13		<u>14,247,000</u>
14	General Fund--Private/Local Appropriation \$	((380,000))
15		<u>1,110,000</u>
16	Juvenile Accountability Incentive	
17	Account--Federal Appropriation \$	((9,361,000))
18		<u>10,461,000</u>
19	Public Safety and Education	
20	Account--State Appropriation \$	((6,196,000))
21		<u>4,940,000</u>
22	Violence Reduction and Drug Enforcement Account--	
23	State Appropriation \$	((21,972,000))
24		<u>37,632,000</u>
25	TOTAL APPROPRIATION \$	((127,268,000))
26		<u>229,904,000</u>

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

29 (~~(a) \$686,000 of the violence reduction and drug enforcement account~~
30 ~~appropriation is provided solely for deposit in the county criminal~~
31 ~~justice assistance account for costs to the criminal justice system~~
32 ~~associated with the implementation of chapter 338, Laws of 1997~~
33 ~~(juvenile code revisions). The amounts provided in this subsection are~~
34 ~~intended to provide funding for county adult court costs associated~~
35 ~~with the implementation of chapter 338, Laws of 1997 and shall be~~
36 ~~distributed in accordance with RCW 82.14.310.~~)

37 (~~(b) \$5,980,000 of the violence reduction and drug enforcement~~
38 ~~account appropriation is provided solely for the implementation of~~)

1 chapter 338, Laws of 1997 (juvenile code revisions). The amounts
2 provided in this subsection are intended to provide funding for county
3 impacts associated with the implementation of chapter 338, Laws of 1997
4 and shall be distributed to counties as prescribed in the current
5 consolidated juvenile services (CJS) formula.

6 (c) \$1,161,000 of the general fund state appropriation for fiscal
7 year 2002, \$1,162,000 of the general fund state appropriation for
8 fiscal year 2003, and \$5,190,000 of the violence reduction and drug
9 enforcement account appropriation are provided solely to implement
10 community juvenile accountability grants pursuant to chapter 338, Laws
11 of 1997 (juvenile code revisions). Funds provided in this subsection
12 may be used solely for community juvenile accountability grants,
13 administration of the grants, and evaluations of programs funded by the
14 grants.

15 (d) \$2,515,000 of the violence reduction and drug enforcement
16 account appropriation is provided solely to implement alcohol and
17 substance abuse treatment programs for locally committed offenders.
18 The juvenile rehabilitation administration shall award these moneys on
19 a competitive basis to counties that submitted a plan for the provision
20 of services approved by the division of alcohol and substance abuse.
21 The juvenile rehabilitation administration shall develop criteria for
22 evaluation of plans submitted and a timeline for awarding funding and
23 shall assist counties in creating and submitting plans for evaluation.

24 (e) \$100,000 of the general fund state appropriation for fiscal
25 year 2002 and \$100,000 of the general fund state appropriation for
26 fiscal year 2003 are provided solely for juvenile rehabilitation
27 administration to contract with the institute for public policy for
28 responsibilities assigned in chapter 338, Laws of 1997 (juvenile code
29 revisions).

30 (f) \$100,000 of the general fund state appropriation for fiscal
31 year 2002 and \$100,000 of the general fund state appropriation for
32 fiscal year 2003 are provided solely for a contract for expanded
33 services of the teamchild project.

34 (g) \$423,000 of the general fund state appropriation for fiscal
35 year 2002, \$924,000 of the general fund state appropriation for fiscal
36 year 2003, \$174,000 of the general fund federal appropriation,
37 \$196,000 of the public safety and education assistance account
38 appropriation, and \$690,000 of the violence reduction and drug

1 enforcement account appropriation are provided solely to increase
2 payment rates for contracted service providers.

3 (h) \$16,000 of the general fund state appropriation for fiscal
4 year 2002 and \$16,000 of the general fund state appropriation for
5 fiscal year 2003 are provided solely for the implementation of chapter
6 167, Laws of 1999 (firearms on school property). The amounts provided
7 in this subsection are intended to provide funding for county impacts
8 associated with the implementation of chapter 167, Laws of 1999, and
9 shall be distributed to counties as prescribed in the current
10 consolidated juvenile services (CJS) formula.

11 (i) \$3,441,000 of the general fund state appropriation for fiscal
12 year 2002 and \$3,441,000 of the general fund state appropriation for
13 fiscal year 2003 are provided solely for distribution to county
14 juvenile court administrators to fund the costs of processing truancy,
15 children in need of services, and at risk youth petitions. The
16 department shall not retain any portion of these funds to cover
17 administrative or any other departmental costs. The department, in
18 conjunction with the juvenile court administrators, shall develop an
19 equitable funding distribution formula. The formula shall neither
20 reward counties with higher than average per petition processing costs
21 nor shall it penalize counties with lower than average per petition
22 processing costs.

23 (j) \$6,000,000 of the public safety and education account state
24 appropriation is provided solely for distribution to county juvenile
25 court administrators to fund the costs of processing truancy, children
26 in need of services, and at risk youth petitions. To the extent that
27 distributions made under (i) and (j) of this subsection and pursuant to
28 section 801 of this act exceed actual costs of processing truancy,
29 children in need of services, and at risk youth petitions, the
30 department, in consultation with the respective juvenile court
31 administrator and the county, may approve expenditure of funds provided
32 in this subsection on other costs of the civil or criminal justice
33 system. When this occurs, the department shall notify the office of
34 financial management and the legislative fiscal committees. The
35 department shall not retain any portion of these funds to cover
36 administrative or any other departmental costs. The department, in
37 conjunction with the juvenile court administrators, shall develop an
38 equitable funding distribution formula. The formula shall neither
39 reward counties with higher than average per petition processing costs

1 nor shall it penalize counties with lower than average per-petition
2 processing costs.

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

8 (l) Each quarter during the 2001-03 fiscal biennium, each county
9 shall report the number of petitions processed and the total actual
10 costs of processing the petitions in each of the following categories:
11 Truancy, children in need of services, and at risk youth. Counties
12 shall submit the reports to the department no later than 45 days after
13 the end of the quarter. The department shall forward this information
14 to the chair and ranking minority member of the house of
15 representatives appropriations committee and the senate ways and means
16 committee no later than 60 days after a quarter ends. These reports
17 are deemed informational in nature and are not for the purpose of
18 distributing funds.

19 (m) \$1,692,000 of the juvenile accountability incentive account—
20 federal appropriation is provided solely for the continued
21 implementation of a pilot program to provide for postrelease planning
22 and treatment of juvenile offenders with co-occurring disorders.

23 (n) \$22,000 of the violence reduction and drug enforcement account
24 appropriation is provided solely for the evaluation of the juvenile
25 offender co-occurring disorder pilot program implemented pursuant to
26 (m) of this subsection.

27 (o) \$900,000 of the general fund—state appropriation for fiscal
28 year 2002 and \$900,000 of the general fund—state appropriation for
29 fiscal year 2003 are provided solely for the continued implementation
30 of the juvenile violence prevention grant program established in
31 section 204, chapter 309, Laws of 1999.

32 (p) \$33,000 of the general fund—state appropriation for fiscal
33 year 2002 and \$29,000 of the general fund—state appropriation for
34 fiscal year 2003 are provided solely for the implementation of House
35 Bill No. 1070 (juvenile offender basic training). If the bill is not
36 enacted by June 30, 2001, the amounts provided in this subsection shall
37 lapse.

38 (q) \$21,000 of the general fund—state appropriation for fiscal
39 year 2002 and \$42,000 of the general fund—state appropriation for

1 fiscal year 2003 are provided solely for the implementation of Senate
2 Bill No. 5468 (chemical dependency). If the bill is not enacted by
3 June 30, 2001, the amounts provided in this subsection shall lapse.

4 (r) ~~The juvenile rehabilitation administration, in consultation~~
5 ~~with the juvenile court administrators, may agree on a formula to allow~~
6 ~~the transfer of funds among amounts appropriated for consolidated~~
7 ~~juvenile services, community juvenile accountability act grants, the~~
8 ~~chemically dependent disposition alternative, and the special sex~~
9 ~~offender disposition alternative.~~

10 (2) ~~INSTITUTIONAL SERVICES~~

11	General Fund--State Appropriation (FY 2002)	. . . \$	46,773,000
12	General Fund--State Appropriation (FY 2003)	. . . \$	48,735,000
13	General Fund--Federal Appropriation	. . . . . \$	14,000
14	General Fund--Private/Local Appropriation	. . . . . \$	740,000
15	Violence Reduction and Drug Enforcement Account--		
16	State Appropriation	. . . . . \$	15,280,000
17	TOTAL APPROPRIATION	. . . . . \$	111,542,000

18 The appropriations in this subsection are subject to the following
19 conditions and limitations: \$40,000 of the general fund--state
20 appropriation for fiscal year 2002 and \$84,000 of the general fund--
21 state appropriation for fiscal year 2003 are provided solely to
22 increase payment rates for contracted service providers.

23 (3) ~~PROGRAM SUPPORT~~

24	General Fund--State Appropriation (FY 2002)	. . . \$	1,738,000
25	General Fund--State Appropriation (FY 2003)	. . . \$	1,765,000
26	General Fund--Federal Appropriation	. . . . . \$	307,000
27	Juvenile Accountability Incentive Account--Federal		
28	Appropriation	. . . . . \$	1,100,000
29	Violence Reduction and Drug Enforcement Account--		
30	State Appropriation	. . . . . \$	421,000
31	TOTAL APPROPRIATION	. . . . . \$	5,331,000))

32 **Sec. 204.** 2001 2nd sp.s. c 7 s 204 (uncodified) is amended to read
33 as follows:

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

35 ((~~(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS~~))

36	General Fund--State Appropriation (FY 2002)	. . . \$	((191,089,000))
37			<u>300,579,000</u>

1 program and the regional support networks, with partnership and active
2 support from the alcohol and substance abuse and from the aging and
3 adult services programs. The department shall negotiate performance-
4 based incentive contracts with those regional support networks which
5 have the most viable plans for providing appropriate community support
6 services for significant numbers of persons from their area who would
7 otherwise be served in the state hospitals. The funds appropriated in
8 this subsection shall not be considered "available resources" as
9 defined in RCW 71.24.025 and are not subject to the standard allocation
10 formula applied in accordance with RCW 71.24.035(13)(a).

11 (d) At least \$1,000,000 of the federal block grant funding
12 appropriated in this subsection shall be used for (i) initial
13 development, training, and operation of the community support teams
14 which will work with long term state hospital residents prior and
15 subsequent to their return to the community; and (ii) development of
16 support strategies which will reduce the unnecessary and excessive use
17 of state and local hospitals for short term crisis stabilization
18 services. Such strategies may include training and technical
19 assistance to community long term care and substance abuse providers;
20 the development of diversion beds and stabilization support teams;
21 examination of state hospital policies regarding admissions; and the
22 development of new contractual standards to assure that the statutory
23 requirement that 85 percent of short term detentions be managed locally
24 is being fulfilled. The department shall report to the fiscal and
25 policy committees of the legislature on the results of these efforts by
26 November 1, 2001, and again by November 1, 2002.

27 (e) The department is authorized to implement a new formula for
28 allocating available resources among the regional support networks.
29 The distribution formula shall use the number of persons eligible for
30 the state medical programs funded under chapter 74.09 RCW as the
31 measure of the requirement for the number of acutely mentally ill,
32 chronically mentally ill, severely emotionally disturbed children, and
33 seriously disturbed in accordance with RCW 71.24.035(13)(a). The new
34 formula shall be phased in over a period of no less than six years.
35 Furthermore, the department shall increase the medicaid capitation
36 rates which a regional support network would otherwise receive under
37 the formula by an amount sufficient to assure that total funding
38 allocated to the regional support network in fiscal year 2002 increases
39 by up to 2.1 percent over the amount actually paid to that regional

1 support network in fiscal year 2001, and by up to an additional 2.3
2 percent in fiscal year 2003, if total funding to the regional support
3 network would otherwise increase by less than those percentages under
4 the new formula, and provided that the nonfederal share of the higher
5 medicaid payment rate is provided by the regional support network from
6 local funds.

7 (f) Within funds appropriated in this subsection, the department
8 shall contract with the Clark county regional support network for
9 development and operation of a project demonstrating collaborative
10 methods for providing intensive mental health services in the school
11 setting for severely emotionally disturbed children who are medicaid
12 eligible. Project services are to be delivered by teachers and
13 teaching assistants who qualify as, or who are under the supervision
14 of, mental health professionals meeting the requirements of chapter
15 275-57 WAC. The department shall increase medicaid payments to the
16 regional support network by the amount necessary to cover the necessary
17 and allowable costs of the demonstration, not to exceed the upper
18 payment limit specified for the regional support network in the
19 department's medicaid waiver agreement with the federal government
20 after meeting all other medicaid spending requirements assumed in this
21 subsection. The regional support network shall provide the department
22 with (i) periodic reports on project service levels, methods, and
23 outcomes; and (ii) an intergovernmental transfer equal to the state
24 share of the increased medicaid payment provided for operation of this
25 project.

26 (g) The health services account appropriation is provided solely
27 for implementation of strategies which the department and the affected
28 regional support networks conclude will best assure continued
29 availability of community-based inpatient psychiatric services in all
30 areas of the state. Such strategies may include, but are not limited
31 to, emergency contracts for continued operation of inpatient facilities
32 otherwise at risk of closure because of demonstrated uncompensated
33 care; start-up grants for development of evaluation and treatment
34 facilities; and increases in the rate paid for inpatient psychiatric
35 services for medically indigent and/or general assistance for the
36 unemployed patients. The funds provided in this subsection must be:
37 (i) Prioritized for use in those areas of the state which are at
38 greatest risk of lacking sufficient inpatient psychiatric treatment
39 capacity, rather than being distributed on a formula basis; (ii)

1 prioritized for use by those hospitals which do not receive low income
2 disproportionate share hospital payments as of the date of application
3 for funding; and (iii) matched on a one quarter local, three quarters
4 state basis by funding from the regional support network or networks in
5 the area in which the funds are expended. Payments from the amount
6 provided in this subsection shall not be made to any provider that has
7 not agreed that, except for prospective rate increases, the payment
8 shall offset, on a dollar for dollar basis, any liability that may be
9 established against, or any settlement that may be agreed to by the
10 state, regarding the rate of state reimbursement for inpatient
11 psychiatric care. The funds provided in this subsection shall not be
12 considered "available resources" as defined in RCW 71.24.025 and are
13 not subject to the distribution formula established pursuant to RCW
14 71.24.035.

15 (2) ~~INSTITUTIONAL SERVICES~~

16	General Fund--State Appropriation (FY 2002) . . . \$	85,836,000
17	General Fund--State Appropriation (FY 2003) . . . \$	83,001,000
18	General Fund--Federal Appropriation \$	139,098,000
19	General Fund--Private/Local Appropriation \$	29,289,000
20	TOTAL APPROPRIATION \$	337,224,000

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

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

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

29 (c) The department shall seek to reduce the census of the two state
30 psychiatric hospitals by 120 beds by April 2003 by arranging and
31 providing community residential, mental health, and other support
32 services for long-term state hospital patients whose treatment needs
33 constitute substantial barriers to community placement and who no
34 longer require active psychiatric treatment at an inpatient hospital
35 level of care, no longer meet the criteria for inpatient involuntary
36 commitment, and who are clinically ready for discharge from a state
37 psychiatric hospital. No such patient is to move from the hospital
38 until a team of community professionals has become familiar with the

1 person and their treatment plan; assessed their strengths, preferences,
2 and needs; arranged a safe, clinically appropriate, and stable place
3 for them to live; assured that other needed medical, behavioral, and
4 social services are in place; and is contracted to monitor the person's
5 progress on an ongoing basis. The department and the regional support
6 networks shall endeavor to assure that hospital patients are able to
7 return to their area of origin, and that placements are not
8 concentrated in proximity to the hospitals.

9 (d) For each month subsequent to the month in which a state
10 hospital bed has been closed in accordance with (c) of this subsection,
11 the mental health program shall transfer to the medical assistance
12 program state funds equal to the state share of the monthly per capita
13 expenditure amount estimated for categorically needy disabled persons
14 in the most recent forecast of medical assistance expenditures.

15 (e) The department shall report to the appropriate committees of
16 the legislature by November 1, 2001, and by November 1, 2002, on its
17 plans for and progress toward achieving the objectives set forth in (c)
18 of this subsection.

19 (3) ~~CIVIL COMMITMENT~~

20	General Fund--State Appropriation (FY 2002) . . . \$	20,037,000
21	General Fund--State Appropriation (FY 2003) . . . \$	22,441,000
22	TOTAL APPROPRIATION \$	42,478,000

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

25 (a) \$2,062,000 of the general fund--state appropriation for fiscal
26 year 2002 and \$3,698,000 of the general fund--state appropriation for
27 fiscal year 2003 are provided solely for operational costs associated
28 with a less restrictive step-down placement facility on McNeil Island.

29 (b) \$1,000,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$1,000,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for mitigation funding for
32 jurisdictions affected by the placement of less restrictive alternative
33 facilities for persons conditionally released from the special
34 commitment center facility being constructed on McNeil Island.

35 (c) By October 1, 2001, the department shall report to the office
36 of financial management and the fiscal committees of the house of
37 representatives and senate detailing information on plans for

1 increasing the efficiency of staffing patterns at the new civil
2 commitment center facility being constructed on McNeil Island.

3 (4) SPECIAL PROJECTS

4	General Fund--State Appropriation (FY 2002) . . . \$	444,000
5	General Fund--State Appropriation (FY 2003) . . . \$	443,000
6	General Fund--Federal Appropriation \$	2,082,000
7	TOTAL APPROPRIATION \$	2,969,000

8 (5) PROGRAM SUPPORT

9	General Fund--State Appropriation (FY 2002) . . . \$	3,104,000
10	General Fund--State Appropriation (FY 2003) . . . \$	3,231,000
11	General Fund--Federal Appropriation \$	5,796,000
12	TOTAL APPROPRIATION \$	12,131,000

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

15 (a) \$113,000 of the general fund--state appropriation for fiscal
16 year 2002, \$125,000 of the general fund--state appropriation for fiscal
17 year 2003, and \$164,000 of the general fund--federal appropriation are
18 provided solely for the institute for public policy to evaluate the
19 impacts of chapter 214, Laws of 1999 (mentally ill offenders), chapter
20 217, Laws of 2000 (atypical anti-psychotic medications), chapter 297,
21 Laws of 1998 (commitment of mentally ill persons), and chapter 334,
22 Laws of 2001 (mental health performance audit).

23 (b) \$168,000 of the general fund--state appropriation for fiscal
24 year 2002, \$243,000 of the general fund--state appropriation for fiscal
25 year 2003, and \$411,000 of the general fund--federal appropriation are
26 provided solely for the development and implementation of a uniform
27 outcome-oriented performance measurement system to be used in
28 evaluating and managing the community mental health service delivery
29 system consistent with the recommendations contained in the joint
30 legislative audit and review committee's audit of the public mental
31 health system. Once implemented, the use of performance measures will
32 allow comparison of measurement results to established standards and
33 benchmarks among regional support networks, service providers, and
34 against other states. The department shall provide a report to the
35 appropriate committees of the legislature on the development and
36 implementation of the use of performance measures by October 2002.

37 (c) \$125,000 of the general fund--state appropriation for fiscal
38 year 2002, \$125,000 of the general fund--state appropriation for fiscal

1 year 2003, and \$250,000 of the general fund—federal appropriation are
2 provided solely for a study of the prevalence of mental illness among
3 the state's regional support networks. The study shall examine how
4 reasonable estimates of the prevalence of mental illness relate to the
5 incidence of persons enrolled in medical assistance programs in each
6 regional support network area. In conducting this study, the
7 department shall consult with the joint legislative audit and review
8 committee, regional support networks, community mental health
9 providers, and mental health consumer representatives. The department
10 shall submit a final report on its findings to the fiscal, health care,
11 and human services committees of the legislature by November 1, 2003.)

12 **Sec. 205.** 2001 2nd sp.s. c 7 s 205 (uncodified) is amended to read
13 as follows:

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

16 ((1) COMMUNITY SERVICES))

17	General Fund--State Appropriation (FY 2002) . . . \$	((231,693,000))
18		<u>309,509,000</u>
19	General Fund--State Appropriation (FY 2003) . . . \$	((242,347,000))
20		<u>324,776,000</u>
21	General Fund--Federal Appropriation \$	((396,151,000))
22		<u>565,496,000</u>
23	<u>General Fund--Private/Local Appropriation</u> \$	<u>11,950,000</u>
24	Health Services Account--State	
25	Appropriation \$	((741,000))
26		<u>903,000</u>
27	TOTAL APPROPRIATION \$	((870,932,000))
28		<u>1,212,634,000</u>

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

31 (a) The health services account appropriation and \$753,000 of the
32 general fund--federal appropriation are provided solely for health care
33 benefits for home care workers with family incomes below 200 percent of
34 the federal poverty level who are employed through state contracts for
35 twenty hours per week or more. Premium payments for individual
36 provider home care workers shall be made only to the subsidized basic
37 health plan. Home care agencies may obtain coverage either through the

1 basic health plan or through an alternative plan with substantially
2 equivalent benefits.

3 (b) ~~\$902,000 of the general fund state appropriation for fiscal~~
4 ~~year 2002, \$3,372,000 of the general fund state appropriation for~~
5 ~~fiscal year 2003, and \$4,056,000 of the general fund federal~~
6 ~~appropriation are provided solely for community services for residents~~
7 ~~of residential habilitation centers (RHCs) who are able to be~~
8 ~~adequately cared for in community settings and who choose to live in~~
9 ~~those community settings. The department shall ensure that the average~~
10 ~~cost per day for all program services other than start-up costs shall~~
11 ~~not exceed \$280. If the number and timing of residents choosing to~~
12 ~~move into community settings is not sufficient to achieve the RHC~~
13 ~~cottage consolidation plan assumed in the appropriations in subsection~~
14 ~~(2) of this section, the department shall transfer sufficient~~
15 ~~appropriations from this subsection to subsection (2) of this section~~
16 ~~to cover the added costs incurred in the RHCs. The department shall~~
17 ~~report to the appropriate committees of the legislature, within 45 days~~
18 ~~following each fiscal year quarter, the number of residents moving into~~
19 ~~community settings and the actual expenditures for all community~~
20 ~~services to support those residents.~~

21 (c) ~~\$1,440,000 of the general fund state appropriation for fiscal~~
22 ~~year 2002, \$3,041,000 of the general fund state appropriation for~~
23 ~~fiscal year 2003, and \$4,311,000 of the general fund federal~~
24 ~~appropriation are provided solely for expanded community services for~~
25 ~~persons with developmental disabilities who also have community~~
26 ~~protection issues or are diverted or discharged from state psychiatric~~
27 ~~hospitals. The department shall ensure that the average cost per day~~
28 ~~for all program services other than start-up costs shall not exceed~~
29 ~~\$275. The department shall report to the appropriate committees of the~~
30 ~~legislature, within 45 days following each fiscal year quarter, the~~
31 ~~number of persons served with these additional community services,~~
32 ~~where they were residing, what kinds of services they were receiving~~
33 ~~prior to placement, and the actual expenditures for all community~~
34 ~~services to support these clients.~~

35 (d) ~~\$1,005,000 of the general fund state appropriation for fiscal~~
36 ~~year 2002, \$2,262,000 of the general fund state appropriation for~~
37 ~~fiscal year 2003, and \$2,588,000 of the general fund federal~~
38 ~~appropriation are provided solely for increasing case/resource~~
39 ~~management resources to improve oversight and quality of care for~~

1 persons enrolled in the medicaid home and community services waiver for
2 persons with developmental disabilities. The department shall not
3 increase total enrollment in home and community based waivers for
4 persons with developmental disabilities except for increases assumed in
5 additional funding provided in subsections (b) and (c) of this section.
6 Prior to submitting to the health care financing authority any
7 additional home and community based waiver request for persons with
8 developmental disabilities, the department shall submit a summary of
9 the waiver request to the appropriate committees of the legislature.
10 The summary shall include eligibility criteria, program description,
11 enrollment projections and limits, and budget and cost effectiveness
12 projections that distinguish the requested waiver from other existing
13 or proposed waivers.

14 (e) \$1,000,000 of the general fund state appropriation for fiscal
15 year 2002 and \$1,000,000 of the general fund state appropriation for
16 fiscal year 2003 are provided solely for employment, or other day
17 activities and training programs, for young adults with developmental
18 disabilities who complete their high school curriculum in 2001 or 2002.
19 These services are intended to assist with the transition to work and
20 more independent living. Funding shall be used to the greatest extent
21 possible for vocational rehabilitation services matched with federal
22 funding. In recent years, the state general fund appropriation for
23 employment and day programs has been underspent. These surpluses,
24 built into the carry forward level budget, shall be redeployed for high
25 school transition services.

26 (f) \$369,000 of the fiscal year 2002 general fund state
27 appropriation and \$369,000 of the fiscal year 2003 general fund state
28 appropriation are provided solely for continuation of the autism pilot
29 project started in 1999.

30 (g) \$4,049,000 of the general fund state appropriation for fiscal
31 year 2002, \$1,734,000 of the general fund state appropriation for
32 fiscal year 2003, and \$5,369,000 of the general fund federal
33 appropriation are provided solely to increase compensation by an
34 average of fifty cents per hour for low wage workers providing state-
35 funded services to persons with developmental disabilities. These
36 funds, along with funding provided for vendor rate increases, are
37 sufficient to raise wages an average of fifty cents and cover the
38 employer share of unemployment and social security taxes on the amount
39 of the wage increase. In consultation with the statewide associations

1 ~~representing such agencies, the department shall establish a mechanism~~
2 ~~for testing the extent to which funds have been used for this purpose,~~
3 ~~and report the results to the fiscal committees of the legislature by~~
4 ~~February 1, 2002.~~

5 ~~(2) INSTITUTIONAL SERVICES~~

6	General Fund--State Appropriation (FY 2002) . . . \$	71,977,000
7	General Fund--State Appropriation (FY 2003) . . . \$	69,303,000
8	General Fund--Federal Appropriation \$	145,641,000
9	General Fund--Private/Local Appropriation \$	10,230,000
10	TOTAL APPROPRIATION \$	297,151,000

11 ~~The appropriations in this subsection are subject to the following~~
12 ~~conditions and limitations: Pursuant to RCW 71A.12.160, if residential~~
13 ~~habilitation center capacity is not being used for permanent residents,~~
14 ~~the department may make residential habilitation center vacancies~~
15 ~~available for respite care and any other services needed to care for~~
16 ~~clients who are not currently being served in a residential~~
17 ~~habilitation center and whose needs require staffing levels similar to~~
18 ~~current residential habilitation center residents. Providing respite~~
19 ~~care shall not impede the department's ability to consolidate cottages~~
20 ~~as assumed in the appropriations in this subsection.~~

21 ~~(3) PROGRAM SUPPORT~~

22	General Fund--State Appropriation (FY 2002) . . . \$	2,601,000
23	General Fund--State Appropriation (FY 2003) . . . \$	2,623,000
24	General Fund--Federal Appropriation \$	2,413,000
25	TOTAL APPROPRIATION \$	7,637,000

26 ~~The appropriations in this subsection are subject to the following~~
27 ~~conditions and limitations: \$50,000 of the fiscal year 2002 general~~
28 ~~fund--state appropriation and \$50,000 of the fiscal year 2003 general~~
29 ~~fund--state appropriation are provided solely for increasing the~~
30 ~~contract amount for the southeast Washington deaf and hard of hearing~~
31 ~~services center due to increased workload.~~

32 ~~(4) SPECIAL PROJECTS~~

33	General Fund--Federal Appropriation \$	11,995,000))
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34 **Sec. 206.** 2001 2nd sp.s. c 7 s 206 (uncodified) is amended to read
35 as follows:

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

3	General Fund--State Appropriation (FY 2002) . . . \$	((518,911,000))
4		<u>509,399,000</u>
5	General Fund--State Appropriation (FY 2003) . . . \$	((537,907,000))
6		<u>485,581,000</u>
7	General Fund--Federal Appropriation \$	((1,078,417,000))
8		<u>1,020,591,000</u>
9	General Fund--Private/Local Appropriation \$	((4,324,000))
10		<u>14,227,000</u>
11	Health Services Account--State	
12	Appropriation \$	4,523,000
13	TOTAL APPROPRIATION \$	((2,144,082,000))
14		<u>2,034,321,000</u>

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

17 ~~(1) ((The entire health services account appropriation, \$1,210,000~~
18 ~~of the general fund--state appropriation for fiscal year 2002,~~
19 ~~\$1,423,000 of the general fund--state appropriation for fiscal year~~
20 ~~2003, and \$6,794,000 of the general fund--federal appropriation are~~
21 ~~provided solely for health care benefits for home care workers who are~~
22 ~~employed through state contracts for at least twenty hours per week.~~
23 ~~Premium payments for individual provider home care workers shall be~~
24 ~~made only to the subsidized basic health plan, and only for persons~~
25 ~~with incomes below 200 percent of the federal poverty level. Home care~~
26 ~~agencies may obtain coverage either through the basic health plan or~~
27 ~~through an alternative plan with substantially equivalent benefits.~~

28 ~~(2) \$1,706,000 of the general fund--state appropriation for fiscal~~
29 ~~year 2002 and \$1,706,000 of the general fund--state appropriation for~~
30 ~~fiscal year 2003, plus the associated vendor rate increase for each~~
31 ~~year, are provided solely for operation of the volunteer chore services~~
32 ~~program.~~

33 ~~(3))~~ For purposes of implementing chapter 74.46 RCW, the weighted
34 average nursing facility payment rate shall be no more than \$128.79 for
35 fiscal year 2002, and no more than ((\$134.45)) \$120.32 for fiscal year
36 2003. For all facilities, the therapy care, support services, and
37 operations component rates established in accordance with chapter 74.46
38 RCW shall be adjusted for economic trends and conditions by 2.1 percent
39 effective July 1, 2001, and by an additional 2.3 percent effective July

1 1, 2002. For case-mix facilities, direct care component rates
2 established in accordance with chapter 74.46 RCW shall also be adjusted
3 for economic trends and conditions by 2.1 percent effective July 1,
4 2001, and by an additional 2.3 percent effective July 1, 2002.
5 Additionally, to facilitate the transition to a fully case-mix based
6 direct care payment system, the median price per case-mix unit for each
7 of the applicable direct care peer groups shall be increased on a one-
8 time basis by 2.64 percent effective July 1, 2002.

9 ~~((4))~~ (2) In accordance with Substitute House Bill No. 2242
10 (nursing home rates), the department shall issue certificates of
11 capital authorization which result in up to \$10 million of increased
12 asset value completed and ready for occupancy in fiscal year 2003; in
13 up to \$27 million of increased asset value completed and ready for
14 occupancy in fiscal year 2004; and in up to \$27 million of increased
15 asset value completed and ready for occupancy in fiscal year 2005.

16 ~~((5) Adult day health services shall not be considered a
17 duplication of services for persons receiving care in long term care
18 settings licensed under chapter 18.20, 72.36, or 70.128 RCW.~~

19 ~~(6) Within funds appropriated in this section and in section 204 of
20 this act, the aging and adult services program shall coordinate with
21 and actively support the efforts of the mental health program and of
22 the regional support networks to provide stable community living
23 arrangements for persons with dementia and traumatic brain injuries who
24 have been long term residents of the state psychiatric hospitals. The
25 aging and adult services program shall report to the health care and
26 fiscal committees of the legislature by November 1, 2001, and by
27 November 1, 2002, on the actions it has taken to achieve this
28 objective.~~

29 ~~(7) Within funds appropriated in this section and in section 204 of
30 this act, the aging and adult services program shall devise and
31 implement strategies in partnership with the mental health program and
32 the regional support networks to reduce the use of state and local
33 psychiatric hospitals for the short term stabilization of persons with
34 dementia and traumatic brain injuries. Such strategies may include
35 training and technical assistance to help long term care providers
36 avoid and manage behaviors which might otherwise result in psychiatric
37 hospitalizations; monitoring long term care facilities to assure
38 residents are receiving appropriate mental health care and are not
39 being inappropriately medicated or hospitalized; the development of~~

1 diversion beds and stabilization support teams; and the establishment
2 of systems to track the use of psychiatric hospitals by long-term care
3 providers. The aging and adult services program shall report to the
4 health care and fiscal committees of the legislature by November 1,
5 2001, and by November 1, 2002, on the actions it has taken to achieve
6 this objective.

7 (8) In accordance with Substitute House Bill No. 1341, the
8 department may implement two medicaid waiver programs for persons who
9 do not qualify for such services as categorically needy, subject to
10 federal approval and the following conditions and limitations:

11 (a) One waiver program shall include coverage of home-based
12 services, and the second shall include coverage of care in community
13 residential facilities. Enrollment in the waiver covering home-based
14 services shall not exceed 150 persons by the end of fiscal year 2002,
15 nor 200 persons by the end of fiscal year 2003. Enrollment in the
16 waiver covering community residential services shall not exceed 500
17 persons by the end of fiscal year 2002, nor 900 persons by the end of
18 fiscal year 2003.

19 (b) For each month of waiver service delivered to a person who was
20 not covered by medicaid prior to their enrollment in the waiver, the
21 aging and adult services program shall transfer to the medical
22 assistance program state and federal funds equal to the monthly per
23 capita expenditure amount, net of drug rebates, estimated for medically
24 needy-aged persons in the most recent forecast of medical assistance
25 expenditures.

26 (c) The department shall identify the number of medically needy
27 nursing home residents, and enrollment and expenditures on each of the
28 two medically needy waivers, on monthly management reports.

29 (d) The department shall track and report to health care and fiscal
30 committees of the legislature by November 15, 2002, on the types of
31 long-term care support a sample of waiver participants were receiving
32 prior to their enrollment in the waiver, how those services were being
33 paid for, and an assessment of their adequacy.

34 (9) \$50,000 of the general fund state appropriation for fiscal
35 year 2002 and \$50,000 of the general fund state appropriation for
36 fiscal year 2003 are provided solely for payments to any nursing
37 facility licensed under chapter 18.51 RCW which meets all of the
38 following criteria: (a) The nursing home entered into an arm's length
39 agreement for a facility lease prior to January 1, 1980; (b) the lessee

1 purchased the leased nursing home after January 1, 1980; and (c) the
2 lessor defaulted on its loan or mortgage for the assets of the home
3 after January 1, 1991, and prior to January 1, 1992. Payments provided
4 pursuant to this subsection shall not be subject to the settlement,
5 audit, or rate setting requirements contained in chapter 74.46 RCW.

6 (10) ~~\$364,000 of the general fund state appropriation for fiscal~~
7 ~~year 2002, \$364,000 of the general fund state appropriation for fiscal~~
8 ~~year 2003, and \$740,000 of the general fund federal appropriation are~~
9 ~~provided solely for payment of exceptional care rates so that persons~~
10 ~~with Alzheimer's disease and related dementias who might otherwise~~
11 ~~require nursing home or state hospital care can instead be served in~~
12 ~~boarding home licensed facilities which specialize in the care of such~~
13 ~~conditions.~~

14 (11) ~~From funds appropriated in this section, the department shall~~
15 ~~increase compensation for individual and for agency home care~~
16 ~~providers. Payments to individual home care providers are to be~~
17 ~~increased from \$7.18 per hour to \$7.68 per hour on July 1, 2001.~~
18 ~~Payments to agency providers are to be increased to \$13.30 per hour on~~
19 ~~July 1, 2001, and to \$13.44 per hour on July 1, 2002. All but 18 cents~~
20 ~~per hour of the July 1, 2001, increase to agency providers is to be~~
21 ~~used to increase wages for direct care workers. The appropriations in~~
22 ~~this section also include the funds needed for the employer share of~~
23 ~~unemployment and social security taxes on the amount of the wage~~
24 ~~increase required by this subsection.~~

25 (12) ~~\$2,507,000 of the general fund state appropriation for fiscal~~
26 ~~year 2002, \$2,595,000 of the general fund state appropriation for~~
27 ~~fiscal year 2003, and \$5,100,000 of the general fund federal~~
28 ~~appropriation are provided solely for prospective rate increases~~
29 ~~intended to increase compensation by an average of fifty cents per hour~~
30 ~~for low wage workers in agencies which contract with the state to~~
31 ~~provide community residential services for persons with functional~~
32 ~~disabilities. In consultation with the statewide associations~~
33 ~~representing such agencies, the department shall establish a mechanism~~
34 ~~for testing the extent to which funds have been used for this purpose,~~
35 ~~and report the results to the fiscal committees of the legislature by~~
36 ~~February 1, 2002. The amounts in this subsection also include the~~
37 ~~funds needed for the employer share of unemployment and social security~~
38 ~~taxes on the amount of the wage increase.~~

1 ~~(13) \$1,082,000 of the general fund--state appropriation for fiscal~~
2 ~~year 2002, \$1,082,000 of the general fund--state appropriation for~~
3 ~~fiscal year 2003, and \$2,204,000 of the general fund--federal~~
4 ~~appropriation are provided solely for prospective rate increases~~
5 ~~intended to increase compensation for low wage workers in nursing homes~~
6 ~~which contract with the state. For fiscal year 2002, the department~~
7 ~~shall add forty five cents per patient day to the direct care rate~~
8 ~~which would otherwise be paid to each nursing facility in accordance~~
9 ~~with chapter 74.46 RCW. For fiscal year 2003, the department shall~~
10 ~~increase the median price per case mix unit for each of the applicable~~
11 ~~peer groups by six tenths of one percent in order to distribute the~~
12 ~~available funds. In consultation with the statewide associations~~
13 ~~representing nursing facilities, the department shall establish a~~
14 ~~mechanism for testing the extent to which funds have been used for this~~
15 ~~purpose, and report the results to the fiscal committees of the~~
16 ~~legislature by February 1, 2002.)~~)

17 **Sec. 207.** 2001 2nd sp.s. c 7 s 207 (uncodified) is amended to read
18 as follows:

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

21	General Fund--State Appropriation (FY 2002) . . . \$	((436,440,000))
22		<u>444,434,000</u>
23	General Fund--State Appropriation (FY 2003) . . . \$	((424,870,000))
24		<u>403,285,000</u>
25	General Fund--Federal Appropriation \$	((1,356,351,000))
26		<u>1,360,197,000</u>
27	General Fund--Private/Local Appropriation \$	31,788,000
28	TOTAL APPROPRIATION \$	((2,249,449,000))
29		<u>2,239,704,000</u>

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

32 ~~((1) \$282,081,000 of the general fund--state appropriation for~~
33 ~~fiscal year 2002, \$278,277,000 of the general fund--state appropriation~~
34 ~~for fiscal year 2003, \$1,254,197,000 of the general fund--federal~~
35 ~~appropriation, and \$29,352,000 of the general fund--local appropriation~~
36 ~~are provided solely for the WorkFirst program and child support~~
37 ~~operations. WorkFirst expenditures include TANF grants, diversion~~
38 ~~services, subsidized child care, employment and training, other~~

1 WorkFirst related services, allocated field services operating costs,
2 and allocated economic services program administrative costs. Within
3 the amounts provided in this subsection, the department shall:

4 (a) Continue to implement WorkFirst program improvements that are
5 designed to achieve progress against outcome measures specified in RCW
6 74.08A.410. Valid outcome measures of job retention and wage
7 progression shall be developed and reported quarterly to appropriate
8 fiscal and policy committees of the legislature for families who leave
9 assistance, measured after 12 months, 24 months, and 36 months. An
10 increased attention to job retention and wage progression is necessary
11 to emphasize the legislature's goal that the WorkFirst program succeed
12 in helping recipients gain long term economic independence and not
13 cycle on and off public assistance. The wage progression measure shall
14 report the median percentage increase in quarterly earnings and hourly
15 wage after 12 months, 24 months, and 36 months. The wage progression
16 report shall also report the percent with earnings above one hundred
17 percent and two hundred percent of the federal poverty level. The
18 report shall compare former WorkFirst participants with similar workers
19 who did not participate in WorkFirst. The department shall also report
20 the percentage of families who have returned to temporary assistance
21 for needy families after 12 months, 24 months, and 36 months.

22 (b) Develop informational materials that educate families about the
23 difference between cash assistance and work support benefits. These
24 materials must explain, among other facts, that the benefits are
25 designed to support their employment, that there are no time limits on
26 the receipt of work support benefits, and that immigration or residency
27 status will not be affected by the receipt of benefits. These
28 materials shall be posted in all community service offices and
29 distributed to families. Materials must be available in multiple
30 languages. When a family leaves the temporary assistance for needy
31 families program, receives cash diversion assistance, or withdraws a
32 temporary assistance for needy families application, the department of
33 social and health services shall educate them about the difference
34 between cash assistance and work support benefits and offer them the
35 opportunity to begin or to continue receiving work support benefits, so
36 long as they are eligible. The department shall provide this
37 information through in-person interviews, over the telephone, and/or
38 through the mail. Work support benefits include food stamps, medicaid
39 for all family members, medicaid or state children's health insurance

1 program for children, and child care assistance. The department shall
2 report annually to the legislature the number of families who have had
3 exit interviews, been reached successfully by phone, and been sent
4 mail. The report shall also include the percentage of families who
5 elect to continue each of the benefits and the percentage found
6 ineligible by each substantive reason code. A substantive reason code
7 shall not be "other." The report shall identify barriers to informing
8 families about work support benefits and describe existing and future
9 actions to overcome such barriers.

10 (c) From the amounts provided in this subsection, provide \$50,000
11 from the general fund state appropriation for fiscal year 2002 and
12 \$50,000 from the general fund state appropriation for fiscal year 2003
13 to the Washington institute for public policy for continuation of the
14 WorkFirst evaluation database.

15 (d) Submit a report by December 1, 2001, to the fiscal committees
16 of the legislature containing a spending plan for the WorkFirst
17 program. The plan shall identify how spending levels in the 2001-2003
18 biennium will be adjusted by June 30, 2003, to be sustainable within
19 available federal grant levels and the carryforward level of state
20 funds.

21 (2) \$48,341,000 of the general fund state appropriation for fiscal
22 year 2002 and \$48,341,000 of the general fund state appropriation for
23 fiscal year 2003 are provided solely for cash assistance and other
24 services to recipients in the general assistance-unemployable program.
25 Within these amounts, the department may expend funds for services that
26 assist recipients to reduce their dependence on public assistance,
27 provided that expenditures for these services and cash assistance do
28 not exceed the funds provided.

29 (3) \$5,632,000 of the general fund state appropriation for fiscal
30 year 2002 and \$5,632,000 of the general fund state appropriation for
31 fiscal year 2003 are provided solely for the food assistance program
32 for legal immigrants. The level of benefits shall be equivalent to the
33 benefits provided by the federal food stamp program.

34 (4) \$48,000 of the general fund state appropriation for fiscal
35 year 2002 is provided solely to implement chapter 111, Laws of 2001
36 (veterans/Philippines).

37 (5)) The department shall apply the provisions of RCW
38 74.04.005(10) to simplify resource eligibility policy, make such policy

1 consistent with other federal public assistance programs, and achieve
2 the budgetary savings assumed in this section.

3 **Sec. 208.** 2001 2nd sp.s. c 7 s 208 (uncodified) is amended to read
4 as follows:

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

7	General Fund--State Appropriation (FY 2002) . . . \$	((38,047,000))
8		<u>36,251,000</u>
9	General Fund--State Appropriation (FY 2003) . . . \$	((38,938,000))
10		<u>32,874,000</u>
11	General Fund--Federal Appropriation \$	((91,695,000))
12		<u>91,598,000</u>
13	General Fund--Private/Local Appropriation \$	723,000
14	Public Safety and Education Account--State	
15	Appropriation \$	((13,733,000))
16		<u>13,213,000</u>
17	Violence Reduction and Drug Enforcement Account--	
18	State Appropriation \$	((52,510,000))
19		<u>51,210,000</u>
20	TOTAL APPROPRIATION \$	((235,646,000))
21		<u>225,869,000</u>

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

24 ~~(1) \$1,610,000 of the general fund--state appropriation for fiscal~~
25 ~~year 2002 and \$1,622,000 of the general fund--state appropriation for~~
26 ~~fiscal year 2003 are provided solely for expansion of 35 drug and~~
27 ~~alcohol treatment beds for persons committed under RCW 70.96A.140.~~
28 ~~Patients meeting the commitment criteria of RCW 70.96A.140 but who~~
29 ~~voluntarily agree to treatment in lieu of commitment shall also be~~
30 ~~eligible for treatment in these additional treatment beds. The~~
31 ~~department shall develop specific placement criteria for these expanded~~
32 ~~treatment beds to ensure that this new treatment capacity is~~
33 ~~prioritized for persons incapacitated as a result of chemical~~
34 ~~dependency and who are also high utilizers of hospital services. These~~
35 ~~additional treatment beds shall be located in the eastern part of the~~
36 ~~state.~~

37 ~~(2) \$2,800,000 of the public safety and education account--state~~
38 ~~appropriation is provided solely for expansion of treatment for persons~~

1 ~~gravely disabled by abuse and addiction to alcohol and other drugs~~
2 ~~including methamphetamine.~~

3 ~~(3) \$1,083,000 of the public safety and education account state~~
4 ~~appropriation is provided solely for adult and juvenile drug courts~~
5 ~~that have a net loss of federal grant funding in state fiscal year 2002~~
6 ~~and state fiscal year 2003. This appropriation is intended to cover~~
7 ~~approximately one half of lost federal funding. It is the intent of~~
8 ~~the legislature to provide state assistance to counties to cover a part~~
9 ~~of lost federal funding for drug courts for a maximum of three years.~~

10 ~~(4) \$1,993,000 of the public safety and education account state~~
11 ~~appropriation and \$951,000 of the general fund federal appropriation~~
12 ~~are provided solely for drug and alcohol treatment for SSI clients.~~
13 ~~The department shall continue research and post program evaluation of~~
14 ~~these clients to further determine the post treatment utilization of~~
15 ~~medical services and the service effectiveness of consolidation.))~~

16 **Sec. 209.** 2001 2nd sp.s. c 7 s 209 (uncodified) is amended to read
17 as follows:

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

20	General Fund--State Appropriation (FY 2002) . . .	\$ ((1,028,885,000))
21		<u>1,052,005,000</u>
22	General Fund--State Appropriation (FY 2003) . . .	\$ ((1,130,904,000))
23		<u>1,094,241,000</u>
24	General Fund--Federal Appropriation	\$ ((3,637,511,000))
25		<u>3,937,609,000</u>
26	General Fund--Private/Local Appropriation	\$ ((276,147,000))
27		<u>209,402,000</u>
28	Emergency Medical Services and Trauma Care Systems	
29	Trust Account--State Appropriation	\$ 9,200,000
30	Health Services Account--State Appropriation . . .	\$ ((1,043,310,000))
31		<u>1,531,306,000</u>
32	TOTAL APPROPRIATION	\$ ((7,125,957,000))
33		<u>7,833,763,000</u>

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

36 (1) The department shall increase its efforts to restrain the
37 growth of health care costs. The appropriations in this section
38 anticipate that the department implements a combination of cost

1 containment and utilization strategies sufficient to reduce general
2 fund--state costs by approximately 3 percent below the level projected
3 for the 2001-03 biennium in the March 2001 forecast. The department
4 shall report to the fiscal committees of the legislature by October 1,
5 2001, on its specific plans and semiannual targets for accomplishing
6 these savings. The department shall report again to the fiscal
7 committees by March 1, 2002, and by September 1, 2002, on actual
8 performance relative to the semiannual targets. If satisfactory
9 progress is not being made to achieve the targeted savings, the reports
10 shall include recommendations for additional or alternative measures to
11 control costs.

12 (2) The department shall continue to extend medicaid eligibility to
13 children through age 18 residing in households with incomes below 200
14 percent of the federal poverty level.

15 (3) In determining financial eligibility for medicaid-funded
16 services, the department is authorized to disregard recoveries by
17 Holocaust survivors of insurance proceeds or other assets, as defined
18 in RCW 48.104.030.

19 (4) (~~(\$502,000 of the health services account appropriation,~~
20 ~~\$400,000 of the general fund private/local appropriation, and~~
21 ~~\$1,676,000 of the general fund federal appropriation are provided~~
22 ~~solely for implementation of Second Substitute House Bill No. 1058~~
23 ~~(breast and cervical cancer treatment). If the bill is not enacted by~~
24 ~~June 30, 2001, or if private funding is not contributed equivalent to~~
25 ~~the general fund private/local appropriation, the funds appropriated~~
26 ~~in this subsection shall lapse.~~

27 (5) ~~(\$620,000))~~ \$798,000 of the health services account
28 appropriation for fiscal year 2002, (~~(\$1,380,000))~~ \$4,482,000 of the
29 health services account appropriation for fiscal year 2003, and
30 (~~(\$2,000,000))~~ \$5,183,000 of the general fund--federal appropriation
31 are provided solely for implementation of a "ticket to work" medicaid
32 buy-in program for working persons with disabilities, operated in
33 accordance with the following conditions:

34 (a) To be eligible, a working person with a disability must have
35 total income which is less than 450 percent of poverty;

36 (b) Participants shall participate in the cost of the program by
37 paying (i) a monthly enrollment fee equal to fifty percent of any
38 unearned income in excess of the medicaid medically needy standard; and
39 (ii) a monthly premium equal to 5 percent of all unearned income, plus

1 5 percent of all earned income after disregarding the first sixty-five
2 dollars of monthly earnings, and half the remainder;

3 (c) The department shall establish more restrictive eligibility
4 standards than specified in this subsection to the extent necessary to
5 operate the program within appropriated funds;

6 (d) The department may require point-of-service copayments as
7 appropriate, except that copayments shall not be so high as to
8 discourage appropriate service utilization, particularly of
9 prescription drugs needed for the treatment of psychiatric conditions;
10 and

11 (e) The department shall establish systems for tracking and
12 reporting enrollment and expenditures in this program, and the prior
13 medical assistance eligibility status of new program enrollees. The
14 department shall additionally survey the prior and current employment
15 status and approximate hours worked of program enrollees, and report
16 the results to the fiscal and health care committees of the legislature
17 by January 15, 2003.

18 ~~((6) From funds appropriated in this section, the department shall
19 design, implement, and evaluate pilot projects to assist individuals
20 with at least three different diseases to improve their health, while
21 reducing total medical expenditures. The projects shall involve (a)
22 identifying persons who are seriously or chronically ill due to a
23 combination of medical, social, and functional problems; and (b)
24 working with the individuals and their care providers to improve
25 adherence to state-of-the-art treatment regimens. The department shall
26 report to the health care and the fiscal committees of the legislature
27 by January 1, 2002, on the particular disease states, intervention
28 protocols, and delivery mechanisms it proposes to test.~~

29 ~~(7))~~ (5) Sufficient funds are appropriated in this section for the
30 department to continue full-scope dental coverage, vision coverage, and
31 podiatry services for medicaid-eligible adults.

32 ~~((8))~~ (6) The legislature reaffirms that it is in the state's
33 interest for Harborview medical center to remain an economically viable
34 component of the state's health care system.

35 ~~((9) \$80,000 of the general fund state appropriation for fiscal
36 year 2002, \$80,000 of the general fund state appropriation for fiscal
37 year 2003, and \$160,000 of the general fund federal appropriation are
38 provided solely for the newborn referral program to provide access and
39 outreach to reduce infant mortality.~~

1 ~~(10) \$30,000 of the general fund--state appropriation for fiscal~~
2 ~~year 2002, \$31,000 of the general fund--state appropriation for fiscal~~
3 ~~year 2003, and \$62,000 of the general fund--federal appropriation are~~
4 ~~provided solely for implementation of Substitute Senate Bill No. 6020~~
5 ~~(dental sealants). If Substitute Senate Bill No. 6020 is not enacted~~
6 ~~by June 30, 2001, the amounts provided in this subsection shall lapse.~~

7 ~~((11))~~ (7) In accordance with RCW 74.46.625, ~~(((\$376,318,000))~~
8 \$703,077,000 of the health services account appropriation for fiscal
9 year 2002, ~~(((\$144,896,000))~~ \$228,252,000 of the health services account
10 appropriation for fiscal year 2003, and ~~(((\$542,089,000))~~ \$945,284,000
11 of the general fund--federal appropriation are provided solely for
12 supplemental payments to nursing homes operated by rural public
13 hospital districts, applicable to state fiscal years 2000, 2001, 2002,
14 and 2003. The payments shall be conditioned upon (a) a contractual
15 commitment by the association of public hospital districts and
16 participating rural public hospital districts to make an
17 intergovernmental transfer to the state treasurer, for deposit into the
18 health services account, equal to at least 98 percent of the
19 supplemental payments; and (b) a contractual commitment by the
20 participating districts to not allow expenditures covered by the
21 supplemental payments to be used for medicaid nursing home rate-
22 setting. The participating districts shall retain no more than a total
23 of \$20,000,000 for the 2001-03 biennium.

24 ~~((12) \$38,690,000)~~ (8) \$40,900,000 of the health services account
25 appropriation for fiscal year 2002, ~~(((\$40,189,000))~~ \$40,542,000 of the
26 health services account appropriation for fiscal year 2003, and
27 ~~(((\$80,241,000))~~ \$82,052,000 of the general fund--federal appropriation
28 are provided solely for additional disproportionate share and medicare
29 upper payment limit payments to public hospital districts.

30 (a) The payments shall be conditioned upon a contractual commitment
31 by the participating public hospital districts to make an
32 intergovernmental transfer to the health services account equal to at
33 least 91 percent of the additional payments. At least 28 percent of
34 the amounts retained by the participating hospital districts shall be
35 allocated to the state's teaching hospitals.

36 (b) An additional 4.5 percent of the additional payments, not to
37 exceed \$20,000,000 during the 2001-03 biennium, may be retained by the
38 participating public hospital districts contingent upon the receipt of
39 ~~(((\$446,500,000))~~ \$945,284,000 in newly identified proshare

1 reimbursement from the federal government over the 2001-03 biennium.
 2 If the actual amount received is less than (~~(\$446,500,000)~~)
 3 \$945,284,000, the amount retained pursuant to this subsection (12)(b)
 4 shall be prorated accordingly. The state teaching hospitals shall
 5 receive a distribution of the amount retained by the participating
 6 hospital districts in this subsection (12)(b) as allocated in (a) of
 7 this subsection.

8 (~~((13))~~) (9) \$412,000 of the general fund--state appropriation for
 9 fiscal year 2002, \$862,000 of the general fund--state appropriation for
 10 fiscal year 2003, and \$730,000 of the general fund--federal
 11 appropriation are provided solely for implementation of Substitute
 12 House Bill No. 1162 (small rural hospitals). If Substitute House Bill
 13 No. 1162 is not enacted by June 30, 2001, the amounts provided in this
 14 subsection shall lapse.

15 (~~((14) The department may continue to use any federal money~~
 16 ~~available to continue to provide medicaid matching funds for funds~~
 17 ~~contributed by local governments for purposes of conducting eligibility~~
 18 ~~outreach to children and underserved groups. The department shall~~
 19 ~~ensure cooperation with the anticipated audit of the school districts'~~
 20 ~~matchable expenditures for this program and advise the appropriate~~
 21 ~~legislative fiscal committees of the findings.))~~)

22 (10) Sufficient funds are appropriated in this section for the
 23 treatment of low-income kidney dialysis patients.

24 **Sec. 210.** 2001 2nd sp.s. c 7 s 210 (uncodified) is amended to read
 25 as follows:

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

28	General Fund--State Appropriation (FY 2002) . . . \$	11,309,000
29	General Fund--State Appropriation (FY 2003) . . . \$	((9,780,000))
30		<u>9,453,000</u>
31	General Fund--Federal Appropriation \$	83,738,000
32	General Fund--Private/Local Appropriation \$	360,000
33	TOTAL APPROPRIATION \$	((105,187,000))
34		<u>104,860,000</u>

35 The appropriations in this section are subject to the following
 36 conditions and limitations: The division of vocational rehabilitation
 37 shall negotiate cooperative interagency agreements with state and local

1 organizations to improve and expand employment opportunities for people
2 with severe disabilities.

3 **Sec. 211.** 2001 2nd sp.s. c 7 s 211 (uncodified) is amended to read
4 as follows:

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

7	General Fund--State Appropriation (FY 2002) . . . \$	((30,444,000))
8		<u>30,419,000</u>
9	General Fund--State Appropriation (FY 2003) . . . \$	((29,369,000))
10		<u>22,294,000</u>
11	General Fund--Federal Appropriation \$	((50,562,000))
12		<u>47,080,000</u>
13	General Fund--Private/Local Appropriation \$	810,000
14	TOTAL APPROPRIATION \$	((111,185,000))
15		<u>100,603,000</u>

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

18 ~~(1) By November 1, 2001, the secretary shall report to the fiscal~~
19 ~~committees of the legislature on the actions the secretary has taken,~~
20 ~~or proposes to take, within current funding levels to resolve the~~
21 ~~organizational problems identified in the department's February 2001~~
22 ~~report to the legislature on current systems for billing third-party~~
23 ~~payers for services delivered by the state psychiatric hospitals. The~~
24 ~~secretary is authorized to transfer funds from this section to the~~
25 ~~mental health program to the extent necessary to achieve the~~
26 ~~organizational improvements recommended in that report.~~

27 ~~(2) By November 1, 2001, the department shall report to the fiscal~~
28 ~~committees of the legislature with the least costly plan for assuring~~
29 ~~that billing and accounting technologies in the state psychiatric~~
30 ~~hospitals adequately and efficiently comply with standards set by~~
31 ~~third-party payers. The plan shall be developed with participation by~~
32 ~~and oversight from the office of financial management, the department's~~
33 ~~information systems services division, and the department of~~
34 ~~information services.~~

35 ~~(3) The department shall reconstitute the payment integrity program~~
36 ~~to place greater emphasis upon the prevention of future billing errors,~~
37 ~~ensure billing and administrative errors are treated in a manner~~
38 ~~distinct from allegations of fraud and abuse, and shall rename the~~

1 program. In keeping with this revised focus, the department shall also
2 increase to one thousand dollars the cumulative total of apparent
3 billing errors allowed before a provider is contacted for repayment.

4 (4) By September 1, 2001, the department shall report to the fiscal
5 committees of the legislature results from the payment review program.
6 The report shall include actual costs recovered and estimated costs
7 avoided for fiscal year 2001 and the costs incurred by the department
8 to administer the program. The report shall document criteria and
9 methodology used for determining avoided costs. In addition, the
10 department shall seek input from health care providers and consumer
11 organizations on modifications to the program. The department shall
12 provide annual updates to the report to the fiscal committees of the
13 legislature by September 1st of each year for the preceding fiscal
14 year.)

15 **Sec. 212.** 2001 2nd sp.s. c 7 s 213 (uncodified) is amended to read
16 as follows:

17 **FOR THE STATE HEALTH CARE AUTHORITY**

18	General Fund--State Appropriation (FY 2002) . . . \$	6,655,000
19	((General Fund--State Appropriation (FY 2003) . . . \$	6,654,000))
20	State Health Care Authority Administrative	
21	Account--State Appropriation \$	((20,091,000))
22		<u>20,331,000</u>
23	Health Services Account--State Appropriation . . \$	((499,148,000))
24		<u>518,561,000</u>
25	General Fund--Federal Appropriation \$	3,611,000
26	TOTAL APPROPRIATION \$	((536,159,000))
27		<u>549,158,000</u>

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

30 (1) \$6,551,000 of the general fund--state appropriation for fiscal
31 year 2002 and ~~(((\$6,550,000))~~ \$6,654,000 of the ~~((general fund))~~ health
32 services account--state appropriation ~~((for fiscal year 2003))~~ are
33 provided solely for health care services provided through local
34 community clinics.

35 (2) Within funds appropriated in this section and sections 205 and
36 206 of this 2001 act, the health care authority shall continue to
37 provide an enhanced basic health plan subsidy option for foster parents
38 licensed under chapter 74.15 RCW and workers in state-funded home care

1 programs. Under this enhanced subsidy option, foster parents and home
2 care workers with family incomes below 200 percent of the federal
3 poverty level shall be allowed to enroll in the basic health plan at a
4 cost of ten dollars per covered worker per month.

5 (3) The health care authority shall require organizations and
6 individuals which are paid to deliver basic health plan services and
7 which choose to sponsor enrollment in the subsidized basic health plan
8 to pay the following: (i) A minimum of fifteen dollars per enrollee
9 per month for persons below 100 percent of the federal poverty level;
10 and (ii) a minimum of twenty dollars per enrollee per month for persons
11 whose family income is 100 percent to 125 percent of the federal
12 poverty level.

13 (4) The health care authority shall solicit information from the
14 United States office of personnel management, health plans, and other
15 relevant sources, regarding the cost of implementation of mental health
16 parity by the federal employees health benefits program in 2001. A
17 progress report shall be provided to the senate and house of
18 representatives fiscal committees by July 1, 2002, and a final report
19 shall be provided to the legislature by November 15, 2002, on the study
20 findings.

21 (5) \$12,668,000 of the health services account appropriation is
22 provided solely for administrative and premium costs necessary to
23 increase basic health enrollment above 125,000 by June 30, 2003, as
24 directed by Initiative Measure No. 773.

25 **Sec. 213.** 2001 2nd sp.s. c 7 s 214 (uncodified) is amended to read
26 as follows:

27 **FOR THE HUMAN RIGHTS COMMISSION**

28	General Fund--State Appropriation (FY 2002) . . . \$	2,688,000
29	General Fund--State Appropriation (FY 2003) . . . \$	((2,700,000))
30		<u>2,565,000</u>
31	General Fund--Federal Appropriation \$	1,544,000
32	General Fund--Private/Local Appropriation \$	100,000
33	TOTAL APPROPRIATION \$	((7,032,000))
34		<u>6,897,000</u>

35 **Sec. 214.** 2001 2nd sp.s. c 7 s 215 (uncodified) is amended to read
36 as follows:

37 **FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

1	Worker and Community Right-to-Know Account--State		
2	Appropriation	\$	20,000
3	Accident Account--State Appropriation	\$	((14,692,000))
4			<u>15,041,000</u>
5	Medical Aid Account--State Appropriation	\$	((14,694,000))
6			<u>15,043,000</u>
7	TOTAL APPROPRIATION	\$	((29,406,000))
8			<u>30,104,000</u>

9 **Sec. 215.** 2001 2nd sp.s. c 7 s 216 (uncodified) is amended to read
10 as follows:

11 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

12	Municipal Criminal Justice Assistance Account--		
13	Local Appropriation	\$	460,000
14	Death Investigations Account--State		
15	Appropriation	\$	148,000
16	Public Safety and Education Account--State		
17	Appropriation	\$	((18,439,000))
18			<u>17,760,000</u>
19	TOTAL APPROPRIATION	\$	((19,047,000))
20			<u>18,368,000</u>

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

23 (1) \$124,000 of the public safety and education account
24 appropriation is provided solely to allow the Washington association of
25 sheriffs and police chiefs to increase the technical and training
26 support provided to the local criminal justice agencies on the new
27 incident-based reporting system and the national incident-based
28 reporting system.

29 (2) \$136,000 of the public safety and education account
30 appropriation is provided solely to allow the Washington association of
31 prosecuting attorneys to enhance the training provided to criminal
32 justice personnel.

33 (3) \$22,000 of the public safety and education account
34 appropriation is provided solely to increase payment rates for the
35 criminal justice training commission's contracted food service
36 provider.

37 (4) \$31,000 of the public safety and education account
38 appropriation is provided solely to increase payment rates for the

1 criminal justice training commission's contract with the Washington
2 association of sheriffs and police chiefs.

3 (5) \$65,000 of the public safety and education account
4 appropriation is provided solely for regionalized training programs for
5 school district and local law enforcement officials on school safety
6 issues.

7 (6) \$233,000 of the public safety and education account
8 appropriation is provided solely for training and equipping local law
9 enforcement officers to respond to methamphetamine crime.

10 (7) \$374,000 of the public safety and education account
11 appropriation is provided solely for the implementation of House Bill
12 No. 1062 (certification of peace officers). If the bill is not enacted
13 by June 30, 2001, the amounts provided in this subsection shall lapse.

14 (8) \$450,000 of the public safety and education account
15 appropriation is provided solely for grants to be distributed by the
16 Washington association of sheriffs and police chiefs for electronic
17 mapping of school facilities.

18 **Sec. 216.** 2001 2nd sp.s. c 7 s 217 (uncodified) is amended to read
19 as follows:

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

21	General Fund--State Appropriation (FY 2002) . . . \$	((7,738,000))
22		<u>5,577,000</u>
23	General Fund--State Appropriation (FY 2003) . . . \$	((7,682,000))
24		<u>5,517,000</u>
25	General Fund--Federal Appropriation \$	1,250,000
26	Public Safety and Education Account--State	
27	Appropriation \$	((19,862,000))
28		<u>19,131,000</u>
29	Public Safety and Education Account--Federal	
30	Appropriation \$	6,950,000
31	Public Safety and Education Account--Private/Local	
32	Appropriation \$	4,200,000
33	Asbestos Account--State Appropriation \$	688,000
34	Electrical License Account--State	
35	Appropriation \$	28,412,000
36	Farm Labor Revolving Account--Private/Local	
37	Appropriation \$	28,000
38	Worker and Community Right-to-Know Account--State	

1	Appropriation	\$	2,281,000
2	Public Works Administration Account--State		
3	Appropriation	\$	2,856,000
4	Accident Account--State Appropriation	\$	((179,186,000))
5			<u>185,002,000</u>
6	Accident Account--Federal Appropriation	\$	11,568,000
7	Medical Aid Account--State Appropriation	\$	((176,715,000))
8			<u>184,150,000</u>
9	Medical Aid Account--Federal Appropriation	\$	2,438,000
10	Plumbing Certificate Account--State		
11	Appropriation	\$	1,015,000
12	Pressure Systems Safety Account--State		
13	Appropriation	\$	((2,274,000))
14			<u>2,525,000</u>
15	TOTAL APPROPRIATION	\$	((455,143,000))
16			<u>463,588,000</u>

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

19 (1) Pursuant to RCW 7.68.015, the department shall operate the
20 crime victims compensation program within the public safety and
21 education account funds appropriated in this section. In the event
22 that cost containment measures are necessary, the department may (a)
23 institute copayments for services; (b) develop preferred provider
24 contracts; or (c) other cost containment measures. Cost containment
25 measures shall not include holding invoices received in one fiscal
26 period for payment from appropriations in subsequent fiscal periods.
27 No more than \$5,248,000 of the public safety and education account
28 appropriation shall be expended for department administration of the
29 crime victims compensation program.

30 (2) \$1,438,000 of the accident account--state appropriation and
31 \$1,438,000 of the medical aid account--state appropriation are provided
32 for the one-time cost of implementing a recent state supreme court
33 ruling regarding the calculation of workers' compensation benefits.
34 This decision significantly increases the complexity of calculating
35 benefits and therefore increases the administrative and legal costs of
36 the workers' compensation program. The department shall develop and
37 report to appropriate committees of the legislature proposed statutory
38 language that provides greater certainty and simplicity in the

1 calculation of benefits. The report shall be submitted by October 1,
2 2001.

3 (3) It is the intent of the legislature that elevator inspection
4 fees shall fully cover the cost of the elevator inspection program.
5 Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium the
6 department may increase fees in excess of the fiscal growth factor, if
7 the increases are necessary to fully fund the cost of the elevator
8 inspection program.

9 **Sec. 217.** 2001 2nd sp.s. c 7 s 219 (uncodified) is amended to read
10 as follows:

11 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

12 (1) HEADQUARTERS

13	General Fund--State Appropriation (FY 2002) . . . \$	1,529,000
14	General Fund--State Appropriation (FY 2003) . . . \$	((1,533,000))
15		<u>1,503,000</u>
16	Charitable, Educational, Penal, and Reformatory	
17	Institutions Account--State	
18	Appropriation \$	7,000
19	TOTAL APPROPRIATION \$	((3,069,000))
20		<u>3,039,000</u>

21 (2) FIELD SERVICES

22	General Fund--State Appropriation (FY 2002) . . . \$	2,619,000
23	General Fund--State Appropriation (FY 2003) . . . \$	((2,643,000))
24		<u>2,584,000</u>
25	General Fund--Federal Appropriation \$	155,000
26	General Fund--Private/Local Appropriation \$	1,663,000
27	TOTAL APPROPRIATION \$	((7,080,000))
28		<u>7,021,000</u>

29 (3) INSTITUTIONAL SERVICES

30	General Fund--State Appropriation (FY 2002) . . . \$	6,832,000
31	General Fund--State Appropriation (FY 2003) . . . \$	((4,600,000))
32		<u>4,477,000</u>
33	General Fund--Federal Appropriation \$	28,699,000
34	General Fund--Private/Local Appropriation \$	25,614,000
35	TOTAL APPROPRIATION \$	((65,745,000))
36		<u>65,622,000</u>

1 The appropriations in this subsection are subject to the following
 2 terms and conditions: \$3,664,000 of the general fund--federal
 3 appropriation and \$7,377,000 of the general fund--local appropriation
 4 are provided solely for the department to acquire, establish, and
 5 operate a nursing facility dedicated to serving men and women from
 6 Washington who have served in the nation's armed forces.

7 **Sec. 218.** 2001 2nd sp.s. c 7 s 220 (uncodified) is amended to read
 8 as follows:

9 **FOR THE DEPARTMENT OF HEALTH**

10	General Fund--State Appropriation (FY 2002) . . . \$	((65,308,000))
11		<u>54,886,000</u>
12	General Fund--State Appropriation (FY 2003) . . . \$	((66,941,000))
13		<u>53,637,000</u>
14	Health Services Account--State Appropriation . . \$	((24,186,000))
15		<u>41,569,000</u>
16	General Fund--Federal Appropriation \$	((276,840,000))
17		<u>277,637,000</u>
18	General Fund--Private/Local Appropriation \$	((81,526,000))
19		<u>82,062,000</u>
20	Hospital Commission Account--State	
21	Appropriation \$	((1,718,000))
22		<u>2,305,000</u>
23	Health Professions Account--State	
24	Appropriation \$	((38,456,000))
25		<u>40,043,000</u>
26	Emergency Medical Services and Trauma Care Systems	
27	Trust Account--State Appropriation \$	14,858,000
28	Safe Drinking Water Account--State	
29	Appropriation \$	((2,701,000))
30		<u>2,689,000</u>
31	Drinking Water Assistance Account--Federal	
32	Appropriation \$	((13,400,000))
33		<u>13,376,000</u>
34	Waterworks Operator Certification--State	
35	Appropriation \$	622,000
36	Water Quality Account--State Appropriation . . . \$	((3,328,000))
37		<u>3,304,000</u>
38	Accident Account--State Appropriation \$	257,000

1	Medical Aid Account--State Appropriation	\$	45,000
2	State Toxics Control Account--State		
3	Appropriation	\$	((2,817,000))
4			<u>2,809,000</u>
5	Medical Test Site Licensure Account--State		
6	Appropriation	\$	((1,369,000))
7			<u>1,801,000</u>
8	Youth Tobacco Prevention Account--State		
9	Appropriation	\$	1,797,000
10	<u>Salmon Recovery Account--State</u>		
11	<u>Appropriation</u>	\$	<u>182,000</u>
12	Tobacco Prevention and Control Account--State		
13	Appropriation	\$	((34,992,000))
14			<u>43,737,000</u>
15	TOTAL APPROPRIATION	\$	((631,161,000))
16			<u>637,616,000</u>

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

19 (1) The department or any successor agency is authorized to raise
20 existing fees charged to the drinking water operator certification,
21 newborn screening, radioactive materials, x-ray compliance, drinking
22 water plan review, midwifery, hearing and speech, veterinarians,
23 psychologists, pharmacists, hospitals, podiatrists, ((and)) home health
24 and home care programs, transient accommodations licensing, adult
25 residential rehabilitation facilities, state institutions, medical test
26 site licensing, alcoholism treatment facilities licensing, and food
27 handlers, in excess of the fiscal growth factor established by
28 Initiative Measure No. 601, if necessary, to meet the actual costs of
29 conducting business and the appropriation levels in this section.

30 (2) \$339,000 of the general fund--state appropriation for fiscal
31 year 2002 ((and \$339,000)), \$157,000 of the general fund--state
32 appropriation for fiscal year 2003, and the salmon recovery account
33 appropriation are provided solely for technical assistance to local
34 governments and special districts on water conservation and reuse.

35 (3) \$1,675,000 of the general fund--state fiscal year 2002
36 appropriation and \$1,676,000 of the general fund--state fiscal year
37 2003 appropriation are provided solely for the implementation of the
38 Puget Sound water work plan and agency action items, DOH-01, DOH-02,
39 DOH-03, and DOH-04.

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

17 (5) (~~(\$5,779,000)~~) \$4,261,000 of the health services account--state
18 appropriation for fiscal year 2002 and \$4,665,000 of the health
19 services account--state appropriation for fiscal year 2003 are provided
20 solely for purchase and distribution of the pneumococcal conjugate
21 vaccine as part of the state's program of universal access to essential
22 childhood vaccines.

23 (6) \$85,000 of the general fund--state appropriation for fiscal
24 year 2002 (~~(and \$65,000 of the general fund state appropriation for~~
25 ~~fiscal year 2003 are))~~ is provided solely for the implementation of
26 Substitute House Bill No. 1365 (infant and child products). (~~(If the~~
27 ~~bill is not enacted by June 30, 2001, the amounts provided in this~~
28 ~~subsection shall lapse.~~

29 (~~(7) \$58,000 of the general fund state appropriation for fiscal~~
30 ~~year 2002 and \$25,000 of the general fund state appropriation for~~
31 ~~fiscal year 2003 are provided solely for the implementation of Second~~
32 ~~Substitute House Bill No. 1590 (breastfeeding). If the bill is not~~
33 ~~enacted by June 30, 2001, the amounts provided in this subsection shall~~
34 ~~lapse.~~

35 (~~(8))~~) (7) From funds appropriated in this section, the state board
36 of health shall convene a broadly-based task force to review the
37 available information on the potential risks and benefits to public and
38 personal health and safety, and to individual privacy, of emerging
39 technologies involving human deoxyribonucleic acid (DNA). The board

1 may reimburse task force members for travel expenses according to RCW
 2 43.03.220. The task force shall consider information provided to it by
 3 interested persons on: (a) The incidence of discriminatory actions
 4 based upon genetic information; (b) strategies to safeguard civil
 5 rights and privacy related to genetic information; (c) remedies to
 6 compensate individuals for inappropriate use of their genetic
 7 information; and (d) incentives for further research and development on
 8 the use of DNA to promote public health, safety, and welfare. The task
 9 force shall report on its findings and any recommendations to
 10 appropriate committees of the legislature by October 1, 2002.

11 ~~((+9+))~~ (8) \$533,000 of the general fund--state appropriation for
 12 fiscal year 2002 and \$1,067,000 of the general fund--state
 13 appropriation for fiscal year 2003 are provided solely for performance-
 14 based contracts with local jurisdictions to assure the safety of
 15 drinking water provided by small "group B" water systems.

16 **Sec. 219.** 2001 2nd sp.s. c 7 s 221 (uncodified) is amended to read
 17 as follows:

18 **FOR THE DEPARTMENT OF CORRECTIONS**

19 The appropriations to the department of corrections in this act
 20 shall be expended for the programs and in the amounts specified herein.
 21 However, after May 1, 2002, after approval by the director of financial
 22 management and unless specifically prohibited by this act, the
 23 department may transfer general fund--state appropriations for fiscal
 24 year 2002 between programs. The director of financial management shall
 25 notify the appropriate fiscal committees of the senate and house of
 26 representatives in writing prior to approving any deviations from
 27 appropriation levels.

28 (1) ADMINISTRATION AND SUPPORT SERVICES

29	General Fund--State Appropriation (FY 2002) . . . \$	((36,156,000))
30		<u>37,604,000</u>
31	General Fund--State Appropriation (FY 2003) . . . \$	((36,365,000))
32		<u>38,115,000</u>
33	Public Safety and Education Account--State	
34	Appropriation \$	1,576,000
35	Violence Reduction and Drug Enforcement	
36	Account Appropriation \$	3,254,000
37	TOTAL APPROPRIATION \$	((77,351,000))
38		<u>80,549,000</u>

1 The appropriations in this subsection are subject to the following
 2 conditions and limitations: \$4,623,000 of the general fund--state
 3 appropriation for fiscal year 2002, \$4,623,000 of the general fund--
 4 state appropriation for fiscal year 2003, and \$3,254,000 of the
 5 violence reduction and drug enforcement account appropriation are
 6 provided solely for the replacement of the department's offender-based
 7 tracking system. This amount is conditioned on the department
 8 satisfying the requirements of section 902 of this act. The department
 9 shall prepare an assessment of the fiscal impact of any changes to the
 10 replacement project. The assessment shall:

11 (a) Include a description of any changes to the replacement
 12 project;

13 (b) Provide the estimated costs for each component in the 2001-03
 14 and subsequent biennia;

15 (c) Include a schedule that provides the time estimated to complete
 16 changes to each component of the replacement project; and

17 (d) Be provided to the office of financial management, the
 18 department of information services, the information services board, and
 19 the staff of the fiscal committees of the senate and the house of
 20 representatives no later than November 1, 2002.

21 (2) CORRECTIONAL OPERATIONS

22	General Fund--State Appropriation (FY 2002) . . . \$	((397,231,000))
23		<u>405,676,000</u>
24	General Fund--State Appropriation (FY 2003) . . . \$	((407,078,000))
25		<u>415,166,000</u>
26	General Fund--Federal Appropriation \$	((12,096,000))
27		<u>9,142,000</u>
28	Violence Reduction and Drug Enforcement Account--	
29	State Appropriation \$	1,614,000
30	Public Health Services Account Appropriation . . \$	1,453,000
31	TOTAL APPROPRIATION \$	((819,472,000))
32		<u>833,051,000</u>

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

35 (~~(a) ((The department may expend funds generated by contractual~~
 36 ~~agreements entered into for mitigation of severe overcrowding in local~~
 37 ~~jails. Any funds generated in excess of actual costs shall be~~
 38 ~~deposited in the state general fund. Expenditures shall not exceed~~

1 ~~revenue generated by such agreements and shall be treated as recovery~~
2 ~~of costs.~~

3 ~~(b) The department shall provide funding for the pet partnership~~
4 ~~program at the Washington corrections center for women at a level at~~
5 ~~least equal to that provided in the 1995-97 biennium.~~

6 ~~(c) The department of corrections shall accomplish personnel~~
7 ~~reductions with the least possible impact on correctional custody~~
8 ~~staff, community custody staff, and correctional industries. For the~~
9 ~~purposes of this subsection, correctional custody staff means employees~~
10 ~~responsible for the direct supervision of offenders.~~

11 ~~(d) \$553,000 of the general fund state appropriation for fiscal~~
12 ~~year 2002 and \$1,171,000 of the general fund state appropriation for~~
13 ~~fiscal year 2003 are provided solely to increase payment rates for~~
14 ~~contracted education providers, contracted chemical dependency~~
15 ~~providers, and contracted work release facilities.~~

16 ~~(e) During the 2001-03 biennium, when contracts are established or~~
17 ~~renewed for offender pay phone and other telephone services provided to~~
18 ~~inmates, the department shall select the contractor or contractors~~
19 ~~primarily based on the following factors: (i) The lowest rate charged~~
20 ~~to both the inmate and the person paying for the telephone call; and~~
21 ~~(ii) the lowest commission rates paid to the department, while~~
22 ~~providing reasonable compensation to cover the costs of the department~~
23 ~~to provide the telephone services to inmates and provide sufficient~~
24 ~~revenues for the activities funded from the institutional welfare~~
25 ~~betterment account as of January 1, 2000.~~

26 ~~(f)) For the acquisition of properties and facilities, the~~
27 ~~department of corrections is authorized to enter into financial~~
28 ~~contracts, paid for from operating resources, for the purposes~~
29 ~~indicated and in not more than the principal amounts indicated, plus~~
30 ~~financing expenses and required reserves pursuant to chapter 39.94 RCW.~~
31 ~~This authority applies to the following: Lease-develop with the option~~
32 ~~to purchase or lease-purchase approximately 50 work release beds in~~
33 ~~facilities throughout the state for \$3,500,000.~~

34 ~~((g) \$22,000 of the general fund state appropriation for fiscal~~
35 ~~year 2002 and \$76,000 of the general fund state appropriation for~~
36 ~~fiscal year 2003 are provided solely for the implementation of Second~~
37 ~~Substitute Senate Bill No. 6151 (high risk sex offenders in the civil~~
38 ~~commitment and criminal justice systems). If the bill is not enacted~~
39 ~~by June 30, 2001, the amounts provided in this subsection shall lapse.~~

1 ~~(h))~~ (b) The department may acquire a ferry for no more than
2 \$1,000,000 from Washington state ferries. Funds expended for this
3 purpose will be recovered from the sale of marine assets.

4 (3) COMMUNITY SUPERVISION

5	General Fund--State Appropriation (FY 2002)	\$	((61,427,000))
6			<u>67,785,000</u>
7	General Fund--State Appropriation (FY 2003)	\$	((62,934,000))
8			<u>68,598,000</u>
9	General Fund--Federal Appropriation	\$	((1,125,000))
10			<u>870,000</u>
11	Public Safety and Education		
12	Account--State Appropriation	\$	((15,841,000))
13			<u>15,201,000</u>
14	TOTAL APPROPRIATION	\$	((141,327,000))
15			<u>152,454,000</u>

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

18 ~~((a) The department of corrections shall accomplish personnel
19 reductions with the least possible impact on correctional custody
20 staff, community custody staff, and correctional industries. For the
21 purposes of this subsection, correctional custody staff means employees
22 responsible for the direct supervision of offenders.~~

23 ~~(b)) \$75,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$75,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely for the department of corrections
26 to contract with the institute for public policy for responsibilities
27 assigned in chapter 196, Laws of 1999 (offender accountability act) and
28 sections 7 through 12 of chapter 197, Laws of 1999 (drug offender
29 sentencing).~~

30 ~~((c) \$16,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$34,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided solely to increase payment rates for
33 contracted chemical dependency providers.~~

34 ~~(d) \$30,000 of the general fund--state appropriation for fiscal
35 year 2002 and \$30,000 of the general fund--state appropriation for
36 fiscal year 2003 are provided solely for the implementation of
37 Substitute Senate Bill No. 5118 (interstate compact for adult offender~~

1 supervision).— If the bill is not enacted by June 30, 2001, the amounts
2 provided in this subsection shall lapse.))

3 (4) CORRECTIONAL INDUSTRIES

4	General Fund--State Appropriation (FY 2002) . . . \$	631,000
5	General Fund--State Appropriation (FY 2003) . . . \$	629,000
6	TOTAL APPROPRIATION \$	1,260,000

7 The appropriations in this subsection are subject to the following
8 conditions and limitations: \$110,000 of the general fund--state
9 appropriation for fiscal year 2002 and \$110,000 of the general fund--
10 state appropriation for fiscal year 2003 are provided solely for
11 transfer to the jail industries board. The board shall use the amounts
12 provided only for administrative expenses, equipment purchases, and
13 technical assistance associated with advising cities and counties in
14 developing, promoting, and implementing consistent, safe, and efficient
15 offender work programs.

16 (5) INTERAGENCY PAYMENTS

17	General Fund--State Appropriation (FY 2002) . . . \$	18,568,000
18	General Fund--State Appropriation (FY 2003) . . . \$	18,569,000
19	TOTAL APPROPRIATION \$	37,137,000

20 **Sec. 220.** 2001 2nd sp.s. c 7 s 222 (uncodified) is amended to read
21 as follows:

22 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

23	General Fund--State Appropriation (FY 2002) . . . \$	((1,693,000))
24		<u>1,652,000</u>
25	General Fund--State Appropriation (FY 2003) . . . \$	((1,628,000))
26		<u>1,588,000</u>
27	General Fund--Federal Appropriation \$	11,140,000
28	General Fund--Private/Local Appropriation \$	80,000
29	TOTAL APPROPRIATION \$	((14,541,000))
30		<u>14,460,000</u>

31 The appropriations in this section are subject to the following
32 conditions and limitations: \$50,000 of the general fund--state
33 appropriation for fiscal year 2002 and \$50,000 of the general fund--
34 state appropriation for fiscal year 2003 are provided solely to
35 increase state assistance for a comprehensive program of training and
36 support services for persons who are both deaf and blind.

PART III
NATURAL RESOURCES

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Sec. 301. 2001 2nd sp.s. c 7 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2002) . . . \$	((46,633,000))
	<u>41,180,000</u>
General Fund--State Appropriation (FY 2003) . . . \$	((44,481,000))
	<u>39,309,000</u>
General Fund--Federal Appropriation \$	56,805,000
General Fund--Private/Local Appropriation \$	4,351,000
Special Grass Seed Burning Research Account--	
State Appropriation \$	14,000
Reclamation Revolving Account--State	
Appropriation \$	((1,810,000))
	<u>1,935,000</u>
Flood Control Assistance Account--	
State Appropriation \$	4,098,000
State Emergency Water Projects Revolving Account--	
State Appropriation \$	878,000
Waste Reduction/Recycling/Litter Control Account--	
State Appropriation \$	((13,537,000))
	<u>14,037,000</u>
State Drought Preparedness Account--State	
Appropriation \$	((5,325,000))
	<u>2,575,000</u>
<u>Salmon Recovery Account--State Appropriation</u> . . \$	<u>250,000</u>
State and Local Improvements Revolving Account	
(Water Supply Facilities)--State	
Appropriation \$	587,000
Water Quality Account--State Appropriation . . . \$	((12,481,000))
	<u>21,375,000</u>
Wood Stove Education and Enforcement Account--	
State Appropriation \$	353,000
Worker and Community Right-to-Know Account--	
State Appropriation \$	3,288,000

1	State Toxics Control Account--State	
2	Appropriation	\$ 68,931,000
3	State Toxics Control Account--Private/Local	
4	Appropriation	\$ 350,000
5	Local Toxics Control Account--State	
6	Appropriation	\$ 4,751,000
7	Water Quality Permit Account--State	
8	Appropriation	\$ ((23,827,000))
9		<u>24,210,000</u>
10	Underground Storage Tank Account--State	
11	Appropriation	\$ 2,682,000
12	Environmental Excellence Account--State	
13	Appropriation	\$ 504,000
14	Biosolids Permit Account--State Appropriation	\$ ((589,000))
15		<u>764,000</u>
16	Hazardous Waste Assistance Account--State	
17	Appropriation	\$ 4,308,000
18	Air Pollution Control Account--State	
19	Appropriation	\$ ((1,066,000))
20		<u>1,366,000</u>
21	Oil Spill Prevention Account--State	
22	Appropriation	\$ ((7,921,000))
23		<u>9,321,000</u>
24	Air Operating Permit Account--State	
25	Appropriation	\$ 3,608,000
26	Freshwater Aquatic Weeds Account--State	
27	Appropriation	\$ 1,898,000
28	Oil Spill Response Account--State	
29	Appropriation	\$ 7,078,000
30	Metals Mining Account--State Appropriation	\$ 5,000
31	Water Pollution Control Revolving Account--	
32	State Appropriation	\$ ((467,000))
33		<u>1,050,000</u>
34	Water Pollution Control Revolving Account--	
35	Federal Appropriation	\$ 2,316,000
36	TOTAL APPROPRIATION	\$ ((324,942,000))
37		<u>324,177,000</u>

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

1 (1) \$3,874,000 of the general fund--state appropriation for fiscal
2 year 2002, \$3,874,000 of the general fund--state appropriation for
3 fiscal year 2003, \$394,000 of the general fund--federal appropriation,
4 \$2,070,000 of the oil spill prevention account--state appropriation,
5 and \$3,686,000 of the water quality permit account--state appropriation
6 are provided solely for the implementation of the Puget Sound work plan
7 and agency action items DOE-01, DOE-02, DOE-03, DOE-05, DOE-06, DOE-07,
8 DOE-08, and DOE-09.

9 (2) \$500,000 of the state toxics control account appropriation is
10 provided for an assessment of the financial assurance requirements of
11 hazardous waste management facilities. By September 30, 2002, the
12 department shall provide to the governor and appropriate committees of
13 the legislature a report that: (a) Evaluates current statutes and
14 regulations governing hazardous waste management facilities; (b)
15 analyzes and makes recommendations for improving financial assurance
16 regulatory control; and (c) makes recommendations for funding financial
17 assurance regulatory control of hazardous waste management facilities.

18 (3) (~~(\$250,000 of the general fund--state appropriation for fiscal~~
19 ~~year 2002, \$250,000 of the general fund--state appropriation for fiscal~~
20 ~~year 2003, \$564,000)) \$814,000 of the state drought preparedness
21 account--state appropriation, ((and)) \$549,000 of the water quality
22 account--state appropriation, and \$250,000 of the salmon recovery
23 account--state appropriation are provided solely for enhanced
24 streamflow monitoring in critical salmon recovery basins. \$640,000 of
25 this amount is provided solely to implement the Puget Sound work plan
26 and agency action item DOE-01.~~

27 (4) \$1,000,000 of the state toxics control account appropriation in
28 this section is provided solely for the department to work in
29 cooperation with local jurisdictions to address emerging storm water
30 management requirements. This work shall include developing a storm
31 water manual for eastern Washington, technical assistance to local
32 jurisdictions, and increased implementation of the department's
33 existing storm water program. \$200,000 of this amount is provided
34 solely for implementation of the Puget Sound work plan and agency
35 action item DOE-06.

36 (5) \$383,000 of the general fund--state appropriation for fiscal
37 year 2002 and \$383,000 of the general fund--state appropriation for
38 fiscal year 2003 are provided solely for water conservation plan
39 review, technical assistance, and project review for water conservation

1 and reuse projects. By December 1, 2003, the department in cooperation
2 with the department of health shall report to the governor and
3 appropriate committees of the legislature on the activities and
4 achievements related to water conservation and reuse during the past
5 two biennia. The report shall include an overview of technical
6 assistance provided, reuse project development activities, and water
7 conservation achievements.

8 (6) \$3,424,000 of the state toxics control account appropriation is
9 provided solely for methamphetamine lab clean up activities.

10 (7) \$800,000 of the state toxics control account appropriation is
11 provided solely to implement the department's persistent,
12 bioaccumulative toxic chemical strategy. \$54,000 of this amount shall
13 be allocated to the department of health to assist with this effort.

14 (8) Up to \$11,365,000 of the state toxics control account
15 appropriation is provided for the remediation of contaminated sites.
16 Of this amount, up to \$2,000,000 may be used to pay existing site
17 remediation liabilities owed to the federal environmental protection
18 agency for clean-up work that has been completed. The department shall
19 carefully monitor actual revenue collections into the state toxics
20 control account, and is authorized to limit actual expenditures of the
21 appropriation provided in this section consistent with available
22 revenue.

23 (9) \$200,000 of the state toxics control account appropriation is
24 provided to assess the effectiveness of the state's current toxic
25 pollution prevention and dangerous waste programs and policies. The
26 department shall work with affected stakeholder groups and the public
27 to evaluate the performance of existing programs, and identify feasible
28 methods of reducing the generation of these wastes. The department
29 shall report its findings to the governor and the appropriate
30 committees of the legislature by September 30, 2002.

31 (10) \$1,200,000 of the state toxics control account appropriation
32 is provided solely for the department, in conjunction with affected
33 local governments, to address emergent areawide soil contamination
34 problems. The department's efforts will include public involvement
35 processes and completing assessments of the geographical extent of
36 toxic contamination including highly contaminated areas.

37 (11) \$170,000 of the oil spill prevention account appropriation is
38 provided solely for implementation of the Puget Sound work plan action
39 item UW-02 through a contract with the University of Washington's sea

1 grant program to develop an educational program targeted to small
2 spills from commercial fishing vessels, ferries, cruise ships, ports,
3 and marinas.

4 (12) \$1,500,000 of the general fund--state appropriation for fiscal
5 year 2002, \$1,500,000 of the general fund--state appropriation for
6 fiscal year 2003, and \$3,000,000 of the water quality account
7 appropriation are provided solely to implement chapter 237, Laws of
8 2001 (Engrossed Substitute House Bill No. 1832, water resources
9 management) and to support the processing of applications for changes
10 and transfers of existing water rights.

11 (~~(\$4,500,000 of the general fund--state appropriation for~~
12 ~~fiscal year 2002 and \$4,500,000 of the general fund--state~~
13 ~~appropriation for fiscal year 2003 are))~~ \$8,200,000 of the water
14 quality account--state appropriation is provided solely for grants to
15 local governments to conduct watershed planning.

16 (14) \$3,114,000 of the water quality account appropriation is
17 provided solely to implement Engrossed Substitute House Bill No. 1832
18 (water resources management). Of this amount: (a) \$2,100,000 is
19 provided for grants to local governments for targeted watershed
20 assessments consistent with Engrossed Substitute House Bill No. 1832;
21 and (b) the remainder of the funding is provided solely for development
22 of a state environmental policy act template to streamline
23 environmental review, creation of a blue ribbon panel to develop long-
24 term watershed planning implementation funding options, and technical
25 assistance.

26 (~~(18)~~) (15) \$200,000 of the water quality account appropriation
27 is provided solely to provide coordination and assistance to groups
28 established for the purpose of protecting, enhancing, and restoring the
29 biological, chemical, and physical processes of watersheds. These
30 groups may include those involved in coordinated resource management,
31 regional fisheries enhancement groups, conservation districts,
32 watershed councils, and private nonprofit organizations incorporated
33 under Title 24 RCW.

34 (~~(19)~~) (16) \$325,000 of the state drought preparedness account--
35 state appropriation is provided solely for an environmental impact
36 statement of the Pine Hollow reservoir project to be conducted in
37 conjunction with the local irrigation district.

38 (~~(\$1,700,000)~~) (17) \$1,352,000 of the general fund--state
39 appropriation for fiscal year 2002 and (~~(\$280,000)~~) \$1,680,000 of the

1 oil spill prevention account appropriation are provided solely for oil
2 spill prevention measures in Puget Sound. Of these amounts:

3 (a) ~~The general fund appropriation ((is)) and \$1,400,000 of the oil~~
4 spill prevention account appropriation are provided solely for the
5 department of ecology to provide for charter safety tug services((-
6 Safety tug services shall include:-(i))), including the placement of
7 a dedicated tug at Neah Bay for not less than 200 days in fiscal year
8 2002((; and (ii) other safety tug services that may be released by the
9 department at the request of the United States coast guard captain of
10 the port for Puget Sound to the areas or incidents that the department
11 deems to be of highest concern)) and fiscal year 2003. By January 10,
12 2002, and March 30, 2003, the department shall report to the
13 appropriate committees of the legislature regarding the number of
14 dispatches, response time and distance, and other factors pertaining to
15 the safety tug services. The general fund--state appropriation and the
16 oil spill prevention account appropriation in this subsection ((is))
17 are provided solely for implementation of the Puget Sound work plan and
18 agency action item DOE-09;

19 (b) \$100,000 of the oil spill prevention account appropriation is
20 provided solely for the department to conduct a vessel transponder
21 feasibility study for Washington waters and undertake a trial vessel
22 tracking program using transponders. In conducting the feasibility
23 study and trial program, the department of ecology shall consult with
24 state pilotage authorities, the maritime industry and the United States
25 coast guard; and

26 (c) \$180,000 of the oil spill prevention account appropriation is
27 provided solely to acquire vessel incident reporting information.

28 The governor shall request the federal government to provide
29 ongoing resources to station a dedicated rescue tug at Neah Bay.

30 ~~((+21))~~ (18) \$600,000 of the water quality account--state
31 appropriation is provided solely for setting instream flows in six
32 basins not currently planning under the watershed planning act.

33 (19) \$175,000 of the biosolids permit account is provided solely to
34 develop a statewide septage strategy. The department shall work with
35 affected stakeholders to address septage permit requirements, changes
36 to existing rules, clarification of state and local responsibilities,
37 and fee structure changes that are necessary to support the program in
38 future biennia. The department shall report its findings to the

1 governor and appropriate committees of the legislature by June 30,
2 2003.

3 (20) \$750,000 of the general fund--state appropriation for fiscal
4 year 2003 is provided solely for implementation of water code reform
5 legislation. Funding will be utilized by the department of ecology and
6 the department of fish and wildlife.

7 (21) \$690,000 of the water quality account appropriation is
8 provided solely for development of regional water initiatives. Of this
9 amount, \$450,000 is provided for the Columbia River regional
10 initiative, and \$240,000 is provided for the Central Puget Sound
11 regional initiative.

12 **Sec. 302.** 2001 2nd sp.s. c 7 s 303 (uncodified) is amended to read
13 as follows:

14 **FOR THE STATE PARKS AND RECREATION COMMISSION**

15	General Fund--State Appropriation (FY 2002) . . . \$	((32,298,000))
16		<u>32,348,000</u>
17	General Fund--State Appropriation (FY 2003) . . . \$	((32,866,000))
18		<u>30,608,000</u>
19	General Fund--Federal Appropriation \$	2,690,000
20	General Fund--Private/Local Appropriation \$	60,000
21	Winter Recreation Program Account--State	
22	Appropriation \$	787,000
23	Off Road Vehicle Account--State Appropriation . . \$	274,000
24	Snowmobile Account--State Appropriation \$	4,682,000
25	Aquatic Lands Enhancement Account--State	
26	Appropriation \$	337,000
27	Public Safety and Education Account--State	
28	Appropriation \$	((48,000))
29		<u>46,000</u>
30	<u>Salmon Recovery Account--State Appropriation . . \$</u>	<u>200,000</u>
31	Water Trail Program Account--State	
32	Appropriation \$	24,000
33	Parks Renewal and Stewardship Account--	
34	State Appropriation \$	((26,420,000))
35		<u>29,729,000</u>
36	TOTAL APPROPRIATION \$	((100,486,000))
37		<u>101,785,000</u>

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

3 (1) Fees approved by the state parks and recreation commission in
4 the 2001-03 biennium are authorized to exceed the fiscal growth factor
5 under RCW 43.135.055.

6 (2) The state parks and recreation commission, in collaboration
7 with the office of financial management and legislative staff, shall
8 develop a cost-effective and readily accessible approach for reporting
9 revenues and expenditures at each state park. The reporting system
10 shall be complete and operational by December 1, 2001.

11 ~~(3) ((The appropriation in this section from the off road vehicle
12 account--state is provided under RCW 46.09.170(1)(c) and is provided
13 solely to bring off road vehicle recreation facilities into compliance
14 with the requirements, guidelines, spirit, and intent of the federal
15 Americans with disabilities act.~~

16 ~~(4))~~ \$79,000 of the general fund--state appropriation for fiscal
17 year 2002, \$79,000 of the general fund--state appropriation for fiscal
18 year 2003, and \$8,000 of the winter recreation program account--state
19 appropriation are provided solely for a grant for the operation of the
20 Northwest avalanche center.

21 ~~((+5))~~ (4) \$432,000 of the parks renewal and stewardship account
22 appropriation is provided for the operation of the Silver Lake visitor
23 center. If a long-term management agreement is not reached with the
24 U.S. forest service by September 30, 2001, the amount provided in this
25 subsection shall lapse.

26 ~~((+6))~~ (5) \$189,000 of the aquatic lands enhancement account
27 appropriation is provided solely for the implementation of the Puget
28 Sound work plan and agency action item P+RC-02.

29 (6) \$500,000 of the general fund--state appropriation for fiscal
30 year 2003 is provided solely to reduce the state park's maintenance
31 back-log.

32 **Sec. 303.** 2001 2nd sp.s. c 7 s 304 (uncodified) is amended to read
33 as follows:

34 **FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION**

35	General Fund--State Appropriation (FY 2002)	\$	((393,000))
36			<u>143,000</u>
37	General Fund--State Appropriation (FY 2003)	\$	((395,000))
38			<u>145,000</u>

1	General Fund--Federal Appropriation	\$	8,358,000
2	Firearms Range Account--State Appropriation	\$	13,000
3	<u>Salmon Recovery Account--State Appropriation</u>	<u>\$</u>	<u>500,000</u>
4	Recreation Resources Account--State Appropriation	\$	2,584,000
5	Recreation Resources Account--Federal Appropriation	\$	481,000
6	NOVA Program Account--State Appropriation	\$	611,000
7	Water Quality Account--State Appropriation	\$	700,000
8	State Toxics Control Account--State Appropriation	\$	500,000
9	Aquatic Lands Enhancement Account--State		
10	Appropriation	\$	200,000
11	TOTAL APPROPRIATION	\$	14,235,000

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

14 (1) (~~(\$250,000 of the general fund--state appropriation for fiscal~~
15 ~~year 2002, \$250,000 of the general fund--state appropriation for fiscal~~
16 ~~year 2003)) \$500,000 of the salmon recovery account appropriation,
17 \$500,000 of the water quality account appropriation, and \$500,000 of
18 the state toxics control account appropriation are provided solely to
19 implement chapter 298, Laws of 2001, Substitute Senate Bill No. 5637
20 (watershed health monitoring and assessment) and for the development of
21 a comprehensive salmon recovery and watershed health monitoring
22 strategy and action plan. The strategy and action plan shall address
23 the monitoring recommendations of the independent science panel in its
24 report, *Recommendations for Monitoring Salmonid Recovery in Washington*
25 *State* (December 2000), and of the joint legislative audit and review
26 committee in its report *Investing in the Environment: Environmental*
27 *Quality Grant and Loan Programs Performance Audit* (January 2001). The
28 action plan shall include an assessment of state agency operations
29 related to monitoring, evaluation, and adaptive management of salmon
30 recovery and watershed health; any operational or statutory changes
31 necessary to implement the strategy and action plan; and funding
32 recommendations.~~

33 (2) \$8,000,000 of the general fund--federal appropriation is
34 provided solely for implementation of the forest and fish agreement
35 rules. These funds will be passed through to the department of natural
36 resources and the department of fish and wildlife.

37 (3) By August 1, 2001, the interagency committee for outdoor
38 recreation shall complete the public lands inventory project and submit

1 the project report to the joint legislative audit and review committee
2 for review.

3 (4) \$200,000 of the aquatic lands enhancement account--state
4 appropriation is provided solely to develop and implement a
5 conservation initiative for Maury Island. The interagency committee
6 for outdoor recreation shall contract with the Cascade Land Conservancy
7 to develop and implement the initiative and to provide the following
8 services: (a) Land and resource appraisal; (b) development of a plan
9 of finance for acquisition of land or interests in land; and (c)
10 conduct negotiations among purchasers and willing sellers.

11 **Sec. 304.** 2001 2nd sp.s. c 7 s 306 (uncodified) is amended to read
12 as follows:

13 **FOR THE CONSERVATION COMMISSION**

14	General Fund--State Appropriation (FY 2002) . . . \$	((2,207,000))
15		<u>2,202,000</u>
16	General Fund--State Appropriation (FY 2003) . . . \$	((2,196,000))
17		<u>2,091,000</u>
18	Water Quality Account--State Appropriation . . . \$	((3,739,000))
19		<u>4,639,000</u>
20	TOTAL APPROPRIATION \$	((8,142,000))
21		<u>8,932,000</u>

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

24 (1) \$500,000 of the water quality account--state appropriation is
25 provided solely for the agriculture, fish, and water negotiations to
26 develop best management practices that will protect and recover salmon.
27 The commission shall make grants to allow interest groups to
28 participate in the negotiations.

29 (2) \$1,601,000 of the water quality account--state appropriation is
30 provided solely for the completion of limiting factors analysis for
31 watersheds affected by listings of salmon and bull trout under the
32 federal endangered species act.

33 (3) \$247,000 of the general fund--state appropriation for fiscal
34 year 2002 and \$247,000 of the general fund--state appropriation for
35 fiscal year 2003 are provided solely for the implementation of the
36 Puget Sound work plan and agency action item CC-01.

37 (4) By March 1, 2002, the conservation reserve enhancement program
38 contract with the federal farm service agency shall be proposed for

1 amendment to allow funding of flexible riparian buffer standards
 2 consistent with: (a) The recommendations of the state's
 3 agriculture/fish/water negotiation process; or (b) ordinances adopted
 4 through municipal regulations in compliance with the state growth
 5 management act requirement to protect critical areas. These ordinances
 6 shall be scientifically defensible and include programs for monitoring
 7 and adaptive management.

8 **Sec. 305.** 2001 2nd sp.s. c 7 s 307 (uncodified) is amended to read
 9 as follows:

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

11	General Fund--State Appropriation (FY 2002) . . . \$	((51,600,000))
12		<u>49,058,000</u>
13	General Fund--State Appropriation (FY 2003) . . . \$	((50,762,000))
14		<u>46,439,000</u>
15	General Fund--Federal Appropriation \$	((37,366,000))
16		<u>37,716,000</u>
17	General Fund--Private/Local Appropriation \$	24,365,000
18	Off Road Vehicle Account--State	
19	Appropriation \$	475,000
20	Aquatic Lands Enhancement Account--State	
21	Appropriation \$	((6,094,000))
22		<u>5,133,000</u>
23	Public Safety and Education Account--State	
24	Appropriation \$	((586,000))
25		<u>564,000</u>
26	Recreational Fisheries Enhancement Account--	
27	State Appropriation \$	((3,032,000))
28		<u>3,354,000</u>
29	<u>Salmon Recovery Account--State Appropriation</u> . . \$	<u>1,612,000</u>
30	Warm Water Game Fish Account--State	
31	Appropriation \$	2,567,000
32	Eastern Washington Pheasant Enhancement Account--	
33	State Appropriation \$	750,000
34	Wildlife Account--State Appropriation \$	((48,518,000))
35		<u>50,797,000</u>
36	Wildlife Account--Federal Appropriation \$	38,182,000
37	Wildlife Account--Private/Local	
38	Appropriation \$	15,133,000

1	Game Special Wildlife Account--State		
2	Appropriation	\$	1,941,000
3	Game Special Wildlife Account--Federal		
4	Appropriation	\$	9,591,000
5	Game Special Wildlife Account--Private/Local		
6	Appropriation	\$	350,000
7	Water Quality Account--State Appropriation . . .	\$	1,000,000
8	Environmental Excellence Account--State		
9	Appropriation	\$	15,000
10	Regional Fisheries Salmonid Recovery Account--		
11	Federal Appropriation	\$	1,750,000
12	Oil Spill Administration Account--State		
13	Appropriation	\$	963,000
14	Oyster Reserve Land Account--State		
15	Appropriation	\$	135,000
16	TOTAL APPROPRIATION	\$	((295,175,000))
17			<u>291,890,000</u>

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

20 (1) \$1,682,000 of the general fund--state appropriation for fiscal
21 year 2002 and ((~~\$1,682,000~~)) \$1,395,000 of the general fund--state
22 appropriation for fiscal year 2003 are provided solely for the
23 implementation of the Puget Sound work plan and agency action items
24 DFW-01 through DFW-07.

25 (2) \$200,000 of the general fund--state appropriation for fiscal
26 year 2002 and \$200,000 of the general fund--state appropriation for
27 fiscal year 2003 are provided solely for the department to update the
28 salmon and steelhead stock inventory.

29 (3) \$550,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$550,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for salmonid smolt production
32 monitoring.

33 (4) \$250,000 of the general fund--state appropriation for fiscal
34 year 2002 and \$250,000 of the general fund--state appropriation for
35 fiscal year 2003 are provided solely for the department to implement a
36 hatchery endangered species act response. The response shall include
37 emergency hatchery responses, production, and retrofitting of
38 hatcheries for salmon recovery.

1 (5) \$600,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$600,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for local salmon recovery
4 technical assistance.

5 (6) (~~(\$1,625,000)~~) \$1,525,000 of the general fund--state
6 appropriation for fiscal year 2002 and (~~(\$1,625,000)~~) \$1,575,000 of the
7 general fund--state appropriation for fiscal year 2003 are provided
8 solely to fund grants to lead entities established under chapter 77.85
9 RCW. The department, in consultation with the lead entity advisory
10 group and individual lead entities, shall establish an application
11 process and evaluation criteria to allocate funds to up to 26 lead
12 entities to provide core activities identified in chapter 77.85 RCW.
13 Grants to individual lead entities may range from \$37,500 to \$150,000
14 per year.

15 (7) (~~(\$125,000 of the general fund--state appropriation for fiscal~~
16 ~~year 2002 and \$125,000 of the general fund--state appropriation for~~
17 ~~fiscal year 2003 are))~~) \$250,000 of the salmon recovery account
18 appropriation is provided solely for a grant to the lower Skykomish
19 River habitat conservation group for the purpose of developing a salmon
20 recovery plan, in coordination with the lead entity established under
21 chapter 77.85 RCW for that area. The salmon recovery plan must be
22 consistent with the regional recovery plans of the Puget Sound shared
23 strategy and criteria developed by the department for the regional
24 salmon recovery planning program.

25 (8) \$1,000,000 of the water quality--state appropriation is
26 provided solely to fund grants to lead entities established under
27 chapter 77.85 RCW or watershed planning units established under chapter
28 90.82 RCW that agree to coordinate the development of comprehensive
29 local and regional salmon recovery plans. The department shall
30 establish a model for local and regional plans as well as eligibility
31 and evaluation criteria for distribution of funds to lead entities and
32 watershed planning units. No annual grant shall exceed \$125,000 per
33 year.

34 (9) \$91,000 of the warm water game fish account appropriation is
35 provided solely for warm water fish culture at the Rod Meseberg warm
36 water fish production facility.

37 (10) (~~(\$300,000)~~) \$200,000 of the general fund--state appropriation
38 for fiscal year 2002 and (~~(\$300,000)~~) \$200,000 of the general fund--
39 state appropriation for fiscal year 2003 are provided solely to fund

1 ((four)) three cooperative compliance programs, ((two)) both in Western
2 ((Washington)) and ((two-in)) Eastern Washington. The cooperative
3 compliance program shall conduct fish screen, fish way, and fish
4 passage barrier assessments and correction plans for landowners seeking
5 cooperative compliance agreements with the department.

6 (11) ~~(((\$1,300,000 of the general fund--state appropriation for~~
7 ~~fiscal year 2002))~~ \$1,300,000 of the salmon recovery account
8 appropriation and \$5,000,000 of the general fund--federal
9 appropriation are provided solely for economic adjustment assistance to
10 fishermen pursuant to the 1999 Pacific salmon treaty agreement.

11 (12) \$2,000,000 of the aquatic lands enhancement account
12 appropriation is provided for cooperative volunteer projects.

13 (13) \$810,000 of the general fund--state appropriation for fiscal
14 year 2002, \$790,000 of the general fund--state appropriation for fiscal
15 year 2003, and \$250,000 of the wildlife account--state appropriation
16 are provided solely for enforcement and biological staff to respond and
17 take appropriate action to public complaints regarding bear and cougar.

18 (14) ~~((The department shall evaluate the fish program to determine~~
19 ~~if activities are aligned with agency objectives and if specific~~
20 ~~activities support the agency's strategic plan))~~ The department, in
21 cooperation with the legislature and the office of financial
22 management, shall evaluate the fish program to determine if activities
23 are aligned with agency objectives. The report will include a core
24 function analysis of all fish program activity to determine if specific
25 activities support the agency's strategic plan. The department shall
26 submit a report to the legislature and the office of financial
27 management by September 1, 2002.

28 (15) The department shall implement a lands program manager
29 consolidation program. The consolidation program shall target the
30 department's south central region. The savings from this consolidation
31 shall be used by the department for additional maintenance on agency
32 lands within the south central region.

33 (16) The department shall implement a survey of all agency lands to
34 evaluate whether agency lands support the agency's strategic plan and
35 goals. The department shall submit a report to the governor and
36 legislature by September 1, 2002, identifying those lands not
37 conforming with the agency's strategic plan and which should be
38 divested.

1 (17) \$388,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$388,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely to implement the forests and fish
4 agreement and includes funding to continue statewide coordination and
5 implementation of the forests and fish rules, integration of portions
6 of the hydraulic code into the forest practices rules to provide permit
7 streamlining, and sharing the responsibility of developing and
8 implementing the required forests and fish agreement monitoring and
9 adaptive management program.

10 (18) \$194,000 of the general fund--state appropriation for fiscal
11 year 2002 and \$195,000 of the general fund--state appropriation for
12 fiscal year 2003 are provided solely for staff to represent the state's
13 fish and wildlife interests in hydroelectric project relicensing
14 processes by the federal energy regulatory commission.

15 (19) \$156,000 of the wildlife account--state appropriation is
16 provided solely for a youth fishing coordinator to develop partnerships
17 with local communities, and to identify, develop, fund, and promote
18 youth fishing events and opportunities. Event coordination and
19 promotion services shall be contracted to a private consultant.

20 (20) \$135,000 of the oyster reserve land account appropriation is
21 provided solely to implement chapter 273, Laws of 2001, Engrossed
22 Second Substitute House Bill No. 1658 (state oyster reserve lands).

23 (21) \$43,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$42,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely for staffing and operation of the
26 Tennant Lake interpretive center.

27 (22) \$32,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$33,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided solely to support the activities of the
30 aquatic nuisance species coordination committee to foster state,
31 federal, tribal, and private cooperation on aquatic nuisance species
32 issues. The committee shall strive to prevent the introduction of
33 nonnative aquatic species and to minimize the spread of species that
34 are introduced.

35 (23) \$25,000 of the wildlife account--state appropriation is
36 provided solely for the WildWatchCam program to provide internet
37 transmission of live views of wildlife.

38 (24) \$8,000 of the general fund--state appropriation for fiscal
39 year 2002 and \$7,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for the payment of the
2 department's share of approved lake management district assessments.
3 By December 15, 2001, the department shall provide the legislature a
4 summary of its activities related to lake management districts as well
5 as recommendations for establishing equitable lake management district
6 assessments.

7 (25) \$175,000 of the wildlife account--state appropriation is
8 provided solely to implement Z-0976/02 (personal use license for smelt)
9 for the management and conservation of the smelt fishery.

10 (26) The department shall emphasize enforcement of laws related to
11 protection of fish habitat and the illegal harvest of salmon and
12 steelhead. Within the amount provided for the agency, the department
13 shall provide support to the department of health to enforce state
14 shellfish harvest laws.

15 (27) The department shall consolidate agency regions from six to
16 four. Consolidation of management, operations, and/or offices shall be
17 considered to achieve agency state general fund savings targets.
18 Implementation of this consolidation shall begin no later than October
19 1, 2002.

20 **Sec. 306.** 2001 2nd sp.s. c 7 s 308 (uncodified) is amended to read
21 as follows:

22 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

23	General Fund--State Appropriation (FY 2002) . . . \$	((36,709,000))
24		<u>57,451,000</u>
25	General Fund--State Appropriation (FY 2003) . . . \$	((36,266,000))
26		<u>37,026,000</u>
27	General Fund--Federal Appropriation \$	((3,440,000))
28		<u>14,637,000</u>
29	General Fund--Private/Local Appropriation \$	1,865,000
30	Forest Development Account--State	
31	Appropriation \$	((52,511,000))
32		<u>49,666,000</u>
33	Off Road Vehicle Account--State	
34	Appropriation \$	3,684,000
35	Surveys and Maps Account--State	
36	Appropriation \$	2,689,000
37	Aquatic Lands Enhancement Account--State	
38	Appropriation \$	((4,458,000))

1		<u>4,083,000</u>
2	Resources Management Cost Account--State	
3	Appropriation	\$ ((85,979,000))
4		<u>79,134,000</u>
5	Surface Mining Reclamation Account--State	
6	Appropriation	\$ ((2,549,000))
7		<u>2,416,000</u>
8	Salmon Recovery Account--State	
9	Appropriation	\$ 625,000
10	Water Quality Account--State Appropriation . . .	\$ 2,900,000
11	Aquatic Land Dredged Material Disposal Site	
12	Account--State Appropriation	\$ 1,056,000
13	Natural Resource Conservation Areas Stewardship	
14	Account Appropriation	\$ ((34,000))
15		<u>209,000</u>
16	<u>State Toxics Account--State Appropriation</u>	<u>\$ 1,865,000</u>
17	Air Pollution Control Account--State	
18	Appropriation	\$ 629,000
19	Metals Mining Account--State Appropriation . . .	\$ 64,000
20	Agricultural College Trust Management Account	
21	Appropriation	\$ 1,790,000
22	TOTAL APPROPRIATION	\$ ((237,248,000))
23		<u>261,789,000</u>

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

26 (1) \$18,000 of the general fund--state appropriation for fiscal
27 year 2002, \$18,000 of the general fund--state appropriation for fiscal
28 year 2003, and \$998,000 of the aquatic lands enhancement account
29 appropriation are provided solely for the implementation of the Puget
30 Sound work plan and agency action items DNR-01, DNR-02, and DNR-04.

31 (2)(a) \$625,000 of the salmon recovery account appropriation,
32 \$1,250,000 of the general fund--state appropriation for fiscal year
33 2002, \$1,250,000 of the general fund--state appropriation for fiscal
34 year 2003, and \$2,900,000 of the water quality account--state
35 appropriation are provided solely for implementation of chapter 4, Laws
36 of 1999 sp. sess. (forest practices and salmon recovery).

37 (b) \$250,000 of the salmon recovery account appropriation is
38 provided solely for and shall be expended to develop a small forest
39 landowner data base in ten counties. \$150,000 of the amount in this

1 subsection shall be used to purchase the data. \$100,000 of the amount
2 in this subsection shall purchase contracted analysis of the data.

3 (3) \$2,000,000 of the forest development account appropriation is
4 provided solely for road decommissioning, maintenance, and repair in
5 the Lake Whatcom watershed.

6 (4) \$543,000 of the forest fire protection assessment account
7 appropriation, \$22,000 of the forest development account appropriation,
8 and \$76,000 of the resource management cost account appropriation are
9 provided solely to implement chapter 279, Laws of 2001, Substitute
10 House Bill No. 2104, (modifying forest fire protection assessments).

11 (5) \$895,000 of the general fund--state appropriation for fiscal
12 year 2002 and (~~(\$895,000)~~) \$354,000 of the general fund--state
13 appropriation for fiscal year 2003 shall be transferred to the
14 agricultural college trust management account and are provided solely
15 to manage approximately 70,700 acres of Washington State University's
16 agricultural college trust lands.

17 (~~((7))~~) (6) \$4,000 of the general fund--state appropriation for
18 fiscal year 2002 and \$4,000 of the general fund--state appropriation
19 for fiscal year 2003 are provided solely to compensate the forest board
20 trust for a portion of the lease to the Crescent television improvement
21 district consistent with RCW 79.12.055.

22 (~~((8) The appropriation from the off-road vehicle account--state is~~
23 ~~provided under RCW 46.09.170(1)(a)(ii) and is provided solely for~~
24 ~~projects that bring off-road vehicle recreation facilities into~~
25 ~~compliance with the requirements, guidelines, spirit, and intent of the~~
26 ~~federal Americans with disabilities act and do not compromise or impair~~
27 ~~sensitive natural resources.~~

28 ~~(9))~~ (7) \$828,000 of the surface mine reclamation account
29 appropriation is provided to implement Engrossed House Bill No. 1845
30 (surface mining fees). If the bill is not enacted by June 30, 2001,
31 the amount provided in this subsection shall lapse.

32 (~~((10))~~) (8) \$800,000 of the aquatic lands enhancement account
33 appropriation and \$200,000 of the resources management cost account
34 appropriation are provided solely to improve asset management on state-
35 owned aquatic lands. The department shall streamline the use
36 authorization process for businesses operating on state-owned aquatic
37 lands and issue decisions on 325 pending lease applications by June 30,
38 (~~(2002)~~) 2003. The department, in consultation with the attorney

1 general, shall develop a strategic program to resolve claims related to
2 contaminated sediments on state-owned aquatic lands.

3 ~~((11))~~ (9) \$246,000 of the resource management cost account
4 appropriation is provided to the department for continuing control of
5 spruce budworm.

6 ~~((12))~~ (10) \$100,000 of the aquatic lands enhancement account is
7 provided solely for the development and initial implementation of a
8 statewide management plan for marine reserves.

9 ~~((13) \$7,657,859))~~ (11) \$28,399,859 of the general fund--state
10 appropriation for fiscal year 2002 and \$7,657,859 of the general fund--
11 state appropriation for fiscal year 2003 are provided solely for
12 emergency fire suppression.

13 ~~((14))~~ (12) \$7,216,000 of the general fund--state appropriation
14 for fiscal year 2002 and \$6,584,000 of the general fund--state
15 appropriation for fiscal year 2003 are provided solely for fire
16 protection activities and to implement provisions of the 1997 tridata
17 fire program review.

18 ~~((15) \$275,000))~~ (13) \$100,000 of the general fund--state
19 appropriation for fiscal year 2002, \$275,000 of the general fund--state
20 appropriation for fiscal year 2003, ~~((and))~~ \$550,000 of the aquatic
21 lands enhancement account--state appropriation, and \$209,000 of the
22 natural resources conservation areas stewardship account--state
23 appropriation are provided solely to the department for planning,
24 management, and stewardship of natural area preserves and natural
25 resources conservation areas.

26 ~~((16))~~ (14) \$187,000 of the general fund--state appropriation for
27 fiscal year 2002~~((7))~~ and \$188,000 of the general fund--state
28 appropriation for fiscal year 2003~~((7, and \$375,000 of the aquatic lands~~
29 ~~enhancement account--state appropriation))~~ are provided solely to the
30 department for maintenance and stewardship of public lands.

31 ~~((17))~~ (15) \$100,000 of the general fund--state appropriation for
32 fiscal year 2002, \$100,000 of the general fund--state appropriation for
33 fiscal year 2003, and \$400,000 of the aquatic lands enhancement account
34 appropriation are provided solely for spartina control.

35 (16) Fees approved by the board of natural resources for filing and
36 recording surveys are authorized to exceed the fiscal growth factor
37 under RCW 43.135.055 for 2002.

38 (17) The entire state toxics control account appropriation is
39 provided solely for the department to meet its settlement obligation

1 with the U.S. Environmental Protection Agency for the clean-up of the
2 Thea Foss Waterway.

3 **Sec. 307.** 2001 2nd sp.s. c 7 s 309 (uncodified) is amended to read
4 as follows:

5 **FOR THE DEPARTMENT OF AGRICULTURE**

6	General Fund--State Appropriation (FY 2002) . . . \$	((8,165,000))
7		<u>8,040,000</u>
8	General Fund--State Appropriation (FY 2003) . . . \$	((8,024,000))
9		<u>7,748,000</u>
10	General Fund--Federal Appropriation \$	((4,636,000))
11		<u>5,136,000</u>
12	General fund--Private/Local Appropriation \$	1,110,000
13	Aquatic Lands Enhancement Account--State	
14	Appropriation \$	((2,304,000))
15		<u>2,144,000</u>
16	State Toxics Control Account--State	
17	Appropriation \$	((2,672,000))
18		<u>3,167,000</u>
19	TOTAL APPROPRIATION \$	((26,911,000))
20		<u>27,345,000</u>

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

23 (1) \$36,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$37,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely for implementation of the Puget
26 Sound work plan and agency action item DOA-01.

27 (2) ((~~\$832,000~~)) \$1,327,000 of the state toxics control account
28 appropriation and \$298,000 of the agricultural local account are
29 provided solely to establish a program to monitor pesticides in surface
30 water, sample and analyze surface waters for pesticide residues,
31 evaluate pesticide exposure on salmon species listed under the
32 provisions of the endangered species act, and implement actions needed
33 to protect salmonids. If federal funding becomes available for
34 sampling and analyzing surface waters, \$495,000 of the state toxics
35 control account provided in this subsection shall lapse.

36 (3) ((~~\$1,480,000~~)) \$1,320,000 of the aquatic lands enhancement
37 account appropriation is provided solely to initiate a ((~~four-year~~))
38 plan to eradicate infestations of spartina in Puget Sound, Hood Canal,

1 and Grays Harbor and begin the reduction in spartina infestations in
2 Willapa Bay.

3 (4) \$75,000 of the general fund--state appropriation for fiscal
4 year 2002, \$75,000 of the general fund--state appropriation for fiscal
5 year 2003, and \$150,000 of the general fund--federal appropriation are
6 provided solely to the small farm and direct marketing program to
7 support small farms in complying with federal, state, and local
8 regulations, facilitating access to food processing centers, and
9 assisting with grant funding requests.

10 (5) (~~(\$350,000)~~) \$225,000 of the general fund--state appropriation
11 for fiscal year 2002, (~~(\$350,000)~~) \$100,000 of the general fund--state
12 appropriation for fiscal year 2003, and \$700,000 of the general fund--
13 private/local appropriation are provided solely to implement chapter
14 324, Laws of 2001 (Substitute House Bill No. 1891, marketing of
15 agriculture). Of these amounts, \$40,000 of the general fund--state
16 appropriation is provided solely to match funds provided by the red
17 raspberry commission to address unfair trade practices by other
18 countries that result in sales in Washington that are below the cost of
19 production in Washington.

20 (6) \$450,000 of the state toxics control account--state
21 appropriation is provided solely for deposit in the agricultural local
22 nonappropriated account for the plant pest account to reimburse county
23 horticultural pest and disease boards for the costs of pest control
24 activities, including tree removal, conducted under their existing
25 authorities in chapters 15.08 and 15.09 RCW.

26 (7) The district manager for district two as defined in WAC 16-458-
27 075 shall transfer four hundred fifty thousand dollars from the fruit
28 and vegetable district fund to the plant pest account within the
29 agricultural local fund. The amount transferred must be derived from
30 fees collected for state inspections of tree fruits and shall be used
31 solely to reimburse county horticultural pest and disease boards in
32 district two for the cost of pest control activities, including tree
33 removal, conducted under their existing authority in chapters 15.08 and
34 15.09 RCW. The transfer of funds shall occur by July 1, 2001. On June
35 30, 2003, any unexpended portion of the four hundred fifty thousand
36 dollars shall be returned to the fruit and vegetable district fund.

37 (End of part)

PART IV
TRANSPORTATION

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Sec. 401. 2001 2nd sp.s. c 7 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2002) . . . \$	((5,389,000))
	<u>5,366,000</u>
General Fund--State Appropriation (FY 2003) . . . \$	((5,377,000))
	<u>5,349,000</u>
Architects' License Account--State	
Appropriation \$	((707,000))
	<u>684,000</u>
Cemetery Account--State Appropriation \$	((214,000))
	<u>200,000</u>
Professional Engineers' Account--State	
Appropriation \$	((3,032,000))
	<u>3,103,000</u>
Real Estate Commission--State Appropriation . . . \$	((6,777,000))
	<u>6,841,000</u>
Master License Account--State Appropriation . . . \$	((8,409,000))
	<u>8,285,000</u>
Uniform Commercial Code Account--State	
Appropriation \$	((3,104,000))
	<u>2,902,000</u>
Real Estate Education Account--State	
Appropriation \$	((301,000))
	<u>276,000</u>
Funeral Directors and Embalmers Account--State	
Appropriation \$	((490,000))
	<u>459,000</u>
Washington Real Estate Research Account	
Appropriation \$	((316,000))
	<u>307,000</u>
Data Processing Revolving Account--State	
Appropriation \$	23,000
TOTAL APPROPRIATION \$	((34,139,000))

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The appropriations in this section are subject to the following conditions and limitations: In accordance with RCW 43.24.086, it is the policy of the state of Washington that the cost of each professional, occupational, or business licensing program be fully borne by the members of that profession, occupation, or business. For each licensing program covered by RCW 43.24.086, the department shall set fees at levels sufficient to fully cover the cost of administering the licensing program, including any costs associated with policy enhancements funded in the 2001-03 fiscal biennium. Pursuant to RCW 43.135.055, during the 2001-03 fiscal biennium, the department may increase fees in excess of the fiscal growth factor if the increases are necessary to fully fund the costs of the licensing programs.

Sec. 402. 2001 2nd sp.s. c 7 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund--State Appropriation (FY 2002)	\$	21,890,000
General Fund--State Appropriation (FY 2003)	\$	((8,066,000))
		<u>9,066,000</u>
General Fund--Federal Appropriation	\$	4,178,000
General Fund--Private/Local Appropriation	\$	369,000
Death Investigations Account--State Appropriation	\$	((3,899,000))
		<u>4,024,000</u>
Public Safety and Education Account--State Appropriation	\$	((16,070,000))
		<u>15,479,000</u>
County Criminal Justice Assistance Account--State Appropriation	\$	((2,490,000))
		<u>2,870,000</u>
Municipal Criminal Justice Assistance Account-- State Appropriation	\$	((987,000))
		<u>1,367,000</u>
Fire Service Trust Account--State Appropriation	\$	125,000
Fire Service Training Account--State Appropriation	\$	6,328,000
State Toxics Control Account--State		

1	Appropriation	\$	461,000
2	Violence Reduction and Drug Enforcement Account--		
3	State Appropriation	\$	277,000
4	Fingerprint Identification Account--State		
5	Appropriation	\$	((3,684,000))
6			<u>5,084,000</u>
7	TOTAL APPROPRIATION	\$	((68,824,000))
8			<u>71,518,000</u>

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

11 (1) \$354,000 of the public safety and education account
12 appropriation is provided solely for additional law enforcement and
13 security coverage on the west capitol campus.

14 (2) When a program within the agency is supported by more than one
15 fund and one of the funds is the state general fund, the agency shall
16 charge its expenditures in such a manner as to ensure that each fund is
17 charged in proportion to its support of the program. The agency may
18 adopt guidelines for the implementation of this subsection. The
19 guidelines may account for federal matching requirements, budget
20 provisos, or other requirements to spend other moneys in a particular
21 manner.

22 (3) \$100,000 of the public safety and education account
23 appropriation is provided solely for the implementation of Substitute
24 Senate Bill No. 5896 (DNA testing of evidence). If the bill is not
25 enacted by June 30, 2001, the amount provided in this subsection shall
26 lapse.

27 (4) \$1,419,000 of the public safety and education account--state
28 appropriation is provided solely for combating the proliferation of
29 methamphetamine labs. The amounts in this subsection are provided
30 solely for the following activities: (a) The establishment of a
31 regional methamphetamine enforcement, training, and education program;
32 (b) additional members for the statewide methamphetamine incident
33 response team; and (c) two forensic scientists with the necessary
34 equipment to perform lab analysis in the crime laboratory division.

35 ((+6)) (5) Beginning in fiscal year 2003, the funding provided in
36 this subsection assumes a one-time transfer of \$12,634,000 of state
37 patrol expenditures from the omnibus operating budget to the
38 transportation budget. ((If new transportation revenue is not enacted

1 ~~before this time, the omnibus budget will restore this funding in the~~
2 ~~2002 legislative session.))~~

3 (End of part)

PART V
EDUCATION

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3 **Sec. 501.** 2001 2nd sp.s. c 7 s 501 (uncodified) is amended to read
4 as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

6 (1) STATE AGENCY OPERATIONS

7	General Fund--State Appropriation (FY 2002) . . . \$	((12,357,000))
8		<u>12,315,000</u>
9	General Fund--State Appropriation (FY 2003) . . . \$	((12,266,000))
10		<u>11,808,000</u>
11	General Fund--Federal Appropriation \$	((23,668,000))
12		<u>28,631,000</u>
13	TOTAL APPROPRIATION \$	((48,291,000))
14		<u>52,754,000</u>

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

17 (a) \$11,385,000 of the general fund--state appropriation for fiscal
18 year 2002 and ((~~\$11,394,000~~)) \$10,894,000 of the general fund--state
19 appropriation for fiscal year 2003 are provided solely for the
20 operation and expenses of the office of the superintendent of public
21 instruction. Of this amount, \$350,000 is provided in each fiscal year
22 for upgrading information systems including the general apportionment
23 and student information systems.

24 (b) ((~~\$541,000~~)) \$499,000 of the general fund--state appropriation
25 for fiscal year 2002 and ((~~\$441,000~~)) \$483,000 of the general fund--
26 state appropriation for fiscal year 2003 are provided solely for the
27 operation and expenses of the state board of education, including basic
28 education assistance activities. Of the general fund--state
29 appropriation ((~~for fiscal year 2002~~)), \$100,000 is provided solely for
30 certificate of mastery development and validation.

31 (c) \$431,000 of the general fund--state appropriation for fiscal
32 year 2002 and \$431,000 of the general fund--state appropriation for
33 fiscal year 2003 are provided solely for the operation and expenses of
34 the Washington professional educator standards board.

35 (2) STATEWIDE PROGRAMS

1	General Fund--State Appropriation (FY 2002) . . . \$	((17,274,000))
2		<u>17,280,000</u>
3	General Fund--State Appropriation (FY 2003) . . . \$	((19,407,000))
4		<u>14,921,000</u>
5	General Fund--Federal Appropriation \$	((213,016,000))
6		<u>224,162,000</u>
7	TOTAL APPROPRIATION \$	((249,697,000))
8		<u>256,363,000</u>

9 The appropriations in this subsection are provided solely for the
10 statewide programs specified in this subsection and are subject to the
11 following conditions and limitations:

12 (a) HEALTH AND SAFETY

13 (i) A maximum of \$150,000 of the general fund--state appropriation
14 for fiscal year 2002 and a maximum of \$150,000 of the fiscal year 2003
15 appropriation are provided for alcohol and drug prevention programs
16 pursuant to RCW 66.08.180.

17 (ii) A maximum \$2,621,000 of the general fund--state appropriation
18 for fiscal year 2002 and a maximum of \$2,621,000 of the general fund--
19 state appropriation for fiscal year 2003 are provided for a corps of
20 nurses located at educational service districts, as determined by the
21 superintendent of public instruction, to be dispatched to the most
22 needy schools to provide direct care to students, health education, and
23 training for school staff.

24 (iii) A maximum of \$100,000 of the general fund--state
25 appropriation for fiscal year 2002 and a maximum of \$100,000 of the
26 general fund--state appropriation for fiscal year 2003 are provided to
27 create a school safety center subject to the following conditions and
28 limitations.

29 (A) The safety center shall: Disseminate successful models of
30 school safety plans and cooperative efforts; provide assistance to
31 schools to establish a comprehensive safe school plan; select models of
32 cooperative efforts that have been proven successful; act as an
33 information dissemination and resource center when an incident occurs
34 in a school district either in Washington or in another state;
35 coordinate activities relating to school safety; review and approve
36 manuals and curricula used for school safety models and training; and
37 develop and maintain a school safety information web site.

38 (B) The school safety center shall be established in the office of
39 the superintendent of public instruction. The superintendent of public

1 instruction shall participate in a school safety center advisory
2 committee that includes representatives of educators, classified staff,
3 principals, superintendents, administrators, the American society for
4 industrial security, the state criminal justice training commission,
5 and others deemed appropriate and approved by the school safety center
6 advisory committee. Members of the committee shall be chosen by the
7 groups they represent. In addition, the Washington association of
8 sheriffs and police chiefs shall appoint representatives of law
9 enforcement to participate on the school safety center advisory
10 committee. The advisory committee shall select a chair.

11 (C) The school safety center advisory committee shall develop a
12 training program, using the best practices in school safety, for all
13 school safety personnel.

14 (iv) A maximum of \$113,000 of the general fund--state appropriation
15 for fiscal year 2002 and a maximum of \$103,000 of the general fund--
16 state appropriation for fiscal year 2003 are provided for a school
17 safety training program provided by the criminal justice training
18 commission subject to the following conditions and limitations:

19 (A) The criminal justice training commission with assistance of the
20 school safety center advisory committee established in section
21 2(b)(iii) of this section shall develop manuals and curricula for a
22 training program for all school safety personnel.

23 (B) The Washington state criminal justice training commission, in
24 collaboration with the advisory committee, shall provide the school
25 safety training for all school administrators and school safety
26 personnel, including school safety personnel hired after the effective
27 date of this section.

28 (v) A maximum of \$250,000 of the general fund--state appropriation
29 for fiscal year 2002 and a maximum of \$250,000 of the general
30 fund--state appropriation for fiscal year 2003 are provided for
31 training in school districts regarding the prevention of bullying and
32 harassment. The superintendent of public instruction shall use the
33 funds to develop a model bullying and harassment prevention policy and
34 training materials for school and educational service districts. The
35 information may be disseminated in a variety of ways, including
36 workshops and other staff development activities such as videotape or
37 broadcasts.

38 (vi) A maximum of (~~(\$6,042,000)~~) \$6,048,000 of the general
39 fund--state appropriation for fiscal year 2002 and a maximum of

1 ((~~\$6,028,000~~)) \$6,078,000 of the general fund--state appropriation for
2 fiscal year 2003 are provided for a safety allocation to districts
3 subject to the following conditions and limitations:

4 (A) The funds shall be allocated at a maximum rate of \$6.36 per
5 year per full-time equivalent K-12 student enrolled in each school
6 district in the prior school year.

7 (B) Districts shall expend funds allocated under this section to
8 develop and implement strategies identified in a comprehensive safe
9 school plan pursuant to House Bill No. 1818 (student safety) or Senate
10 Bill No. 5543 (student safety). If neither bill is enacted by June 30,
11 2001, expenditures of the safety allocation shall be subject to (i),
12 (ii), and (iii) of this subsection (a)(vi)(B).

13 (i) School districts shall use the funds for school safety purposes
14 and are encouraged to prioritize the use of funds allocated under this
15 section for the development, by September 1, 2002, of school-based
16 comprehensive safe school plans that include prevention, intervention,
17 all-hazards/crisis response, and post crisis recovery components. When
18 developing comprehensive safe school plans, school districts are
19 encouraged to use model school safety plans as developed by the school
20 safety center. Implementation of comprehensive safe school plans may
21 include, but is not limited to, employing or contracting for building
22 security monitors in schools during school hours and school events;
23 research-based early prevention and intervention programs; training for
24 school staff, including security personnel; equipment; school safety
25 hotlines; before, during, and after-school student and staff safety;
26 minor building renovations related to student and staff safety and
27 security; and other purposes identified in the comprehensive safe
28 school plan.

29 (ii) Each school may conduct an evaluation of its comprehensive
30 safe school plan and conduct reviews, drills, or simulated practices in
31 coordination with local fire, law enforcement, and medical emergency
32 management agencies.

33 (iii) By September 1, 2002, school districts shall provide the
34 superintendent of public instruction information regarding the purposes
35 for which the safety allocation funding was used and the status of the
36 comprehensive safe school plans for the schools in the school district.

37 (vii) A maximum of \$200,000 of the general fund--state
38 appropriation for fiscal year 2002, a maximum of \$200,000 of the
39 general fund--state appropriation for fiscal year 2003, and \$400,000 of

1 the general fund--federal appropriation transferred from the department
2 of health are provided for a program that provides grants to school
3 districts for media campaigns promoting sexual abstinence and
4 addressing the importance of delaying sexual activity, pregnancy, and
5 childbearing until individuals are ready to nurture and support their
6 children. Grants to the school districts shall be for projects that
7 are substantially designed and produced by students. The grants shall
8 require a local private sector match equal to one-half of the state
9 grant, which may include in-kind contribution of technical or other
10 assistance from consultants or firms involved in public relations,
11 advertising, broadcasting, and graphics or video production or other
12 related fields.

13 (viii) A maximum of \$150,000 of the general fund--state
14 appropriation for fiscal year 2002 and a maximum of \$150,000 of the
15 general fund--state appropriation for fiscal year 2003 are provided for
16 a nonviolence and leadership training program provided by the institute
17 for community leadership. The program shall provide the following:

18 (A) Statewide nonviolence leadership coaches training program for
19 certification of educational employees and community members in
20 nonviolence leadership workshops;

21 (B) Statewide leadership nonviolence student exchanges, training,
22 and speaking opportunities for student workshop participants; and

23 (C) A request for proposal process, with up to 80 percent funding,
24 for nonviolence leadership workshops serving at least 12 school
25 districts with direct programming in 36 elementary, middle, and high
26 schools throughout Washington state.

27 (ix) A maximum of \$1,500,000 of the general fund--state
28 appropriation for fiscal year 2002 (~~(and a maximum of \$1,500,000 of the~~
29 ~~general fund--state appropriation for fiscal year 2003 are))~~ is
30 provided for school district petitions to juvenile court for truant
31 students as provided in RCW 28A.225.030 and 28A.225.035. Allocation of
32 this money to school districts shall be based on the number of
33 petitions filed.

34 (b) TECHNOLOGY

35 (i) A maximum of \$2,000,000 of the general fund--state
36 appropriation for fiscal year 2002 and a maximum of \$2,000,000 of the
37 general fund--state appropriation for fiscal year 2003 are provided for
38 K-20 telecommunications network technical support in the K-12 sector to
39 prevent system failures and avoid interruptions in school utilization

1 of the data processing and video-conferencing capabilities of the
2 network. These funds may be used to purchase engineering and advanced
3 technical support for the network. A maximum of \$650,000 of this
4 amount may be expended for state-level administration and staff
5 training on the K-20 network.

6 (ii) A maximum of \$617,000 of the general fund--state appropriation
7 for fiscal year 2002 and a maximum of \$1,112,000 of the general fund--
8 state appropriation for fiscal year 2003 are provided for the
9 Washington state leadership assistance for science education reform
10 (LASER) regional partnership coordinated at the Pacific Science Center.

11 (c) GRANTS AND ALLOCATIONS

12 (i) A maximum of \$25,000 of the general fund--state appropriation
13 for fiscal year 2002 and a maximum of \$1,975,000 of the general fund--
14 state appropriation for fiscal year 2003 are provided for Senate Bill
15 No. 5695 (alternative certification routes). If the bill is not
16 enacted by June 30, 2001, the amount provided in this subsection shall
17 lapse. The stipend allocation per teacher candidate and mentor pair
18 shall not exceed \$28,318. The professional educator standards board
19 shall report to the education committees of the legislature by December
20 15, 2002, on the districts applying for partnership grants, the
21 districts receiving partnership grants, and the number of interns per
22 route enrolled in each district.

23 (ii) A maximum of \$31,500 of the general fund--state appropriation
24 for fiscal year 2002 and a maximum of \$31,500 of the general fund--
25 state appropriation for fiscal year 2003 are provided for operation of
26 the Cispus environmental learning center.

27 (iii) A maximum of \$150,000 of the general fund--state
28 appropriation for fiscal year 2002 and a maximum of \$150,000 of the
29 general fund--state appropriation for fiscal year 2003 are provided for
30 the Washington civil liberties education program.

31 (iv) A maximum of \$2,150,000 of the general fund--state
32 appropriation for fiscal year 2002 (~~and a maximum of \$2,150,000 of the~~
33 ~~general fund state appropriation for fiscal year 2003 are~~) is
34 provided for complex need grants. The maximum grants for eligible
35 districts are specified in LEAP Document 30C as developed on April 27,
36 1997, at 03:00 hours.

37 (v) A maximum of \$1,377,000 of the general fund--state
38 appropriation for fiscal year 2002 (~~and a maximum of \$1,377,000 of the~~
39 ~~general fund state appropriation for fiscal year 2003 are~~) is

1 provided for educational centers, including state support activities.
2 (~~(\$100,000)~~) \$50,000 of this amount is provided to help stabilize
3 funding through distribution among existing education centers that are
4 currently funded by the state at an amount less than (~~(\$100,000—a~~
5 ~~biennium)~~) \$50,000 a fiscal year.

6 (vi) A maximum of \$50,000 of the general fund--state appropriation
7 for fiscal year 2002 (~~(and a maximum of \$50,000 of the general fund--~~
8 ~~state appropriation for fiscal year 2003 are)~~) is provided for an
9 organization in southwest Washington that received funding from the
10 Spokane educational center in the 1995-97 biennium and provides
11 educational services to students who have dropped out of school.

12 (vii) A maximum of \$1,262,000 of the general fund--state
13 appropriation for fiscal year 2002 (~~(and a maximum of \$1,262,000 of the~~
14 ~~general fund--state appropriation for fiscal year 2003 are)~~) is
15 provided for in-service training and educational programs conducted by
16 the Pacific Science Center.

17 (viii) A maximum of \$100,000 of the general fund--state
18 appropriation for fiscal year 2002 (~~(and a maximum of \$100,000 of the~~
19 ~~general fund--state appropriation for fiscal year 2003 are)~~) is
20 provided to support vocational student leadership organizations.

21 (ix) \$9,900,000 of the general fund--federal appropriation is
22 provided for the Washington Reads project to enhance high quality
23 reading instruction and school programs.

24 (x) A maximum of \$150,000 of the general fund--state appropriation
25 for fiscal year 2002 and a maximum of \$150,000 of the general fund--
26 state appropriation for fiscal year 2003 are provided for the World War
27 II oral history project.

28 (xi) \$30,700,000 of the general fund--federal appropriation is
29 provided for school renovation grants for school districts with urgent
30 school renovation needs, special education-related renovations, and
31 technology related renovations.

32 (xii) \$1,952,000 of the general fund--federal appropriation is
33 provided for LINKS technology challenge grants to integrate educational
34 reform with state technology systems and development of technology
35 products that enhance professional development and classroom
36 instruction.

37 (xiii) \$423,000 of the general fund--federal appropriation is
38 provided for the advanced placement fee program to increase
39 opportunities for low-income students and under-represented populations

1 to participate in advanced placement courses and to increase the
2 capacity of schools to provide advanced placement courses to students.

3 (xiv) \$12,318,000 of the general fund--federal appropriation is
4 provided for comprehensive school reform demonstration projects to
5 provide grants to low-income schools for improving student achievement
6 through adoption and implementation of research-based curricula and
7 instructional programs.

8 (xv) \$4,228,000 of the general fund--federal appropriation is
9 provided for teacher quality enhancement through provision of consortia
10 grants to school districts and higher education institutions to improve
11 teacher preparation and professional development.

12 **Sec. 502.** 2001 2nd sp.s. c 7 s 502 (uncodified) is amended to read
13 as follows:

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

15 General Fund--State Appropriation (FY 2002) . . . \$ ((3,760,826,000))	
16	<u>3,795,340,000</u>
17 General Fund--State Appropriation (FY 2003) . . . \$ ((3,751,350,000))	
18	<u>3,761,197,000</u>
19 TOTAL APPROPRIATION \$ ((7,512,176,000))	
20	<u>7,556,537,000</u>

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

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

26 (2) Allocations for certificated staff salaries for the 2001-02 and
27 2002-03 school years shall be determined using formula-generated staff
28 units calculated pursuant to this subsection. Staff allocations for
29 small school enrollments in (d) through (f) of this subsection shall be
30 reduced for vocational full-time equivalent enrollments. Staff
31 allocations for small school enrollments in grades K-6 shall be the
32 greater of that generated under (a) of this subsection, or under (d)
33 and (e) of this subsection. Certificated staffing allocations shall be
34 as follows:

35 (a) On the basis of each 1,000 average annual full-time equivalent
36 enrollments, excluding full-time equivalent enrollment otherwise
37 recognized for certificated staff unit allocations under (c) through
38 (f) of this subsection:

1 (i) Four certificated administrative staff units per thousand full-
2 time equivalent students in grades K-12;

3 (ii) 49 certificated instructional staff units per thousand full-
4 time equivalent students in grades K-3;

5 (iii) Forty-six certificated instructional staff units per thousand
6 full-time equivalent students in grades 4-12; and

7 (iv) An additional 4.2 certificated instructional staff units for
8 grades K-3 and an additional 7.2 certificated instructional staff units
9 for grade 4. Any funds allocated for the additional certificated units
10 provided in this subsection (iv) shall not be considered as basic
11 education funding;

12 (v) For class size reduction and expanded learning opportunities
13 under the better schools program, an additional 2.2 certificated
14 instructional staff units for grades K-4 per thousand full-time
15 equivalent students. Funds allocated for these additional certificated
16 units shall not be considered as basic education funding. The
17 allocation may be used for reducing class sizes in grades K-4 or to
18 provide additional classroom contact hours for kindergarten, before-
19 and-after-school programs, weekend school programs, summer school
20 programs, and intercession opportunities to assist elementary school
21 students in meeting the essential academic learning requirements and
22 student assessment performance standards. For purposes of this
23 subsection, additional classroom contact hours provided by teachers
24 beyond the normal school day under a supplemental contract shall be
25 converted to a certificated full-time equivalent by dividing the
26 classroom contact hours by 900.

27 (A) Funds provided under this subsection (2)(a)(iv) and (v) in
28 excess of the amount required to maintain the statutory minimum ratio
29 established under RCW 28A.150.260(2)(b) shall be allocated only if the
30 district documents an actual ratio equal to or greater than 55.4
31 certificated instructional staff per thousand full-time equivalent
32 students in grades K-4. For any school district documenting a lower
33 certificated instructional staff ratio, the allocation shall be based
34 on the district's actual grades K-4 certificated instructional staff
35 ratio achieved in that school year, or the statutory minimum ratio
36 established under RCW 28A.150.260(2)(b), if greater;

37 (B) Districts at or above 51.0 certificated instructional staff per
38 one thousand full-time equivalent students in grades K-4 may dedicate
39 up to 1.3 of the 55.4 funding ratio to employ additional classified

1 instructional assistants assigned to basic education classrooms in
2 grades K-4. For purposes of documenting a district's staff ratio under
3 this section, funds used by the district to employ additional
4 classified instructional assistants shall be converted to a
5 certificated staff equivalent and added to the district's actual
6 certificated instructional staff ratio. Additional classified
7 instructional assistants, for the purposes of this subsection, shall be
8 determined using the 1989-90 school year as the base year;

9 (C) Any district maintaining a ratio equal to or greater than 55.4
10 certificated instructional staff per thousand full-time equivalent
11 students in grades K-4 may use allocations generated under this
12 subsection (2)(a)(iv) and (v) in excess of that required to maintain
13 the minimum ratio established under RCW 28A.150.260(2)(b) to employ
14 additional basic education certificated instructional staff or
15 classified instructional assistants in grades 5-6. Funds allocated
16 under this subsection (2)(a)(iv) and (v) shall only be expended to
17 reduce class size in grades K-6. No more than 1.3 of the certificated
18 instructional funding ratio amount may be expended for provision of
19 classified instructional assistants;

20 (b) For school districts with a minimum enrollment of 250 full-time
21 equivalent students whose full-time equivalent student enrollment count
22 in a given month exceeds the first of the month full-time equivalent
23 enrollment count by 5 percent, an additional state allocation of 110
24 percent of the share that such increased enrollment would have
25 generated had such additional full-time equivalent students been
26 included in the normal enrollment count for that particular month;

27 (c)(i) On the basis of full-time equivalent enrollment in:

28 (A) Vocational education programs approved by the superintendent of
29 public instruction, a maximum of 0.92 certificated instructional staff
30 units and 0.08 certificated administrative staff units for each 19.5
31 full-time equivalent vocational students; and

32 (B) Skills center programs meeting the standards for skills center
33 funding established in January 1999 by the superintendent of public
34 instruction, 0.92 certificated instructional staff units and 0.08
35 certificated administrative units for each 16.67 full-time equivalent
36 vocational students; and

37 (ii) Vocational full-time equivalent enrollment shall be reported
38 on the same monthly basis as the enrollment for students eligible for
39 basic support, and payments shall be adjusted for reported vocational

1 enrollments on the same monthly basis as those adjustments for
2 enrollment for students eligible for basic support;

3 (d) For districts enrolling not more than twenty-five average
4 annual full-time equivalent students in grades K-8, and for small
5 school plants within any school district which have been judged to be
6 remote and necessary by the state board of education and enroll not
7 more than twenty-five average annual full-time equivalent students in
8 grades K-8:

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

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

19 (e) For specified enrollments in districts enrolling more than
20 twenty-five but not more than one hundred average annual full-time
21 equivalent students in grades K-8, and for small school plants within
22 any school district which enroll more than twenty-five average annual
23 full-time equivalent students in grades K-8 and have been judged to be
24 remote and necessary by the state board of education:

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

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

31 (f) For districts operating no more than two high schools with
32 enrollments of less than three hundred average annual full-time
33 equivalent students, for enrollment in grades 9-12 in each such school,
34 other than alternative schools:

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

1 (ii) For all other small high schools under this subsection, nine
2 certificated instructional staff units and one-half of a certificated
3 administrative staff unit for the first sixty average annual full time
4 equivalent students, and additional staff units based on a ratio of
5 0.8732 certificated instructional staff units and 0.1268 certificated
6 administrative staff units per each additional forty-three and one-half
7 average annual full time equivalent students.

8 Units calculated under (f)(ii) of this subsection shall be reduced
9 by certificated staff units at the rate of forty-six certificated
10 instructional staff units and four certificated administrative staff
11 units per thousand vocational full-time equivalent students.

12 (g) For each nonhigh school district having an enrollment of more
13 than seventy annual average full-time equivalent students and less than
14 one hundred eighty students, operating a grades K-8 program or a grades
15 1-8 program, an additional one-half of a certificated instructional
16 staff unit; and

17 (h) For each nonhigh school district having an enrollment of more
18 than fifty annual average full-time equivalent students and less than
19 one hundred eighty students, operating a grades K-6 program or a grades
20 1-6 program, an additional one-half of a certificated instructional
21 staff unit.

22 (3) Allocations for classified salaries for the 2001-02 and 2002-03
23 school years shall be calculated using formula-generated classified
24 staff units determined as follows:

25 (a) For enrollments generating certificated staff unit allocations
26 under subsection (2)(d) through (h) of this section, one classified
27 staff unit for each three certificated staff units allocated under such
28 subsections;

29 (b) For all other enrollment in grades K-12, including vocational
30 full-time equivalent enrollments, one classified staff unit for each
31 sixty average annual full-time equivalent students; and

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

36 (4) Fringe benefit allocations shall be calculated at a rate of
37 11.27 percent in the 2001-02 school year and (~~11.27~~) 9.32 percent in
38 the 2002-03 school year for certificated salary allocations provided
39 under subsection (2) of this section, and a rate of 12.92 percent in

1 the 2001-02 school year and (~~12.92~~) 12.08 percent in the 2002-03
2 school year for classified salary allocations provided under subsection
3 (3) of this section.

4 (5) Insurance benefit allocations shall be calculated at the
5 maintenance rate specified in section 504(3) of this act, based on the
6 number of benefit units determined as follows:

7 (a) The number of certificated staff units determined in subsection
8 (2) of this section; and

9 (b) The number of classified staff units determined in subsection
10 (3) of this section multiplied by 1.152. This factor is intended to
11 adjust allocations so that, for the purposes of distributing insurance
12 benefits, full-time equivalent classified employees may be calculated
13 on the basis of 1440 hours of work per year, with no individual
14 employee counted as more than one full-time equivalent.

15 (6)(a) For nonemployee-related costs associated with each
16 certificated staff unit allocated under subsection (2)(a), (b), and (d)
17 through (h) of this section, there shall be provided a maximum of
18 \$8,519 per certificated staff unit in the 2001-02 school year and a
19 maximum of (~~\$8,715~~) \$8,655 per certificated staff unit in the 2002-03
20 school year.

21 (b) For nonemployee-related costs associated with each vocational
22 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
23 section, there shall be provided a maximum of \$20,920 per certificated
24 staff unit in the 2001-02 school year and a maximum of (~~\$21,401~~)
25 \$21,255 per certificated staff unit in the 2002-03 school year.

26 (c) For nonemployee-related costs associated with each vocational
27 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
28 section, there shall be provided a maximum of \$16,233 per certificated
29 staff unit in the 2001-02 school year and a maximum of (~~\$16,606~~)
30 \$16,493 per certificated staff unit in the 2002-03 school year.

31 (7) Allocations for substitute costs for classroom teachers shall
32 be distributed at a maintenance rate of \$494.34 for the 2001-02 and
33 2002-03 school years per allocated classroom teachers exclusive of
34 salary increase amounts provided in section 504 of this act. Solely
35 for the purposes of this subsection, allocated classroom teachers shall
36 be equal to the number of certificated instructional staff units
37 allocated under subsection (2) of this section, multiplied by the ratio
38 between the number of actual basic education certificated teachers and

1 the number of actual basic education certificated instructional staff
2 reported statewide for the prior school year.

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

12 (9) The superintendent may distribute a maximum of (~~(\$6,510,000)~~)
13 \$6,506,000 outside the basic education formula during fiscal years 2002
14 and 2003 as follows:

15 (a) For fire protection for school districts located in a fire
16 protection district as now or hereafter established pursuant to chapter
17 52.04 RCW, a maximum of \$480,000 may be expended in fiscal year 2002
18 and a maximum of (~~(\$491,000)~~) \$488,000 may be expended in fiscal year
19 2003;

20 (b) For summer vocational programs at skills centers, a maximum of
21 \$2,098,000 may be expended each fiscal year;

22 (c) A maximum of (~~(\$343,000)~~) \$342,000 may be expended for school
23 district emergencies; and

24 (d) A maximum of \$500,000 per fiscal year may be expended for
25 programs providing skills training for secondary students who are
26 enrolled in extended day school-to-work programs, as approved by the
27 superintendent of public instruction. The funds shall be allocated at
28 a rate not to exceed \$500 per full-time equivalent student enrolled in
29 those programs.

30 (10) For purposes of RCW 84.52.0531, the increase per full-time
31 equivalent student in state basic education appropriations provided
32 under this act, including appropriations for salary and benefits
33 increases, is 2.5 percent from the 2000-01 school year to the 2001-02
34 school year, and 3.3 percent from the 2000-01 school year to the 2002-
35 03 school year.

36 (11) If two or more school districts consolidate and each district
37 was receiving additional basic education formula staff units pursuant
38 to subsection (2)(b) through (h) of this section, the following shall
39 apply:

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

5 (b) For the fourth through eighth school years following
6 consolidation, the difference between the basic education formula staff
7 units received by the districts for the school year prior to
8 consolidation and the basic education formula staff units after
9 consolidation pursuant to subsection (2)(a) through (h) of this section
10 shall be reduced in increments of twenty percent per year.

11 **Sec. 503.** 2001 2nd sp.s. c 7 s 503 (uncodified) is amended to read
12 as follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**
14 **COMPENSATION.** (1) The following calculations determine the salaries
15 used in the general fund allocations for certificated instructional,
16 certificated administrative, and classified staff units under section
17 502 of this act:

18 (a) Salary allocations for certificated instructional staff units
19 shall be determined for each district by multiplying the district's
20 certificated instructional total base salary shown on LEAP Document 12E
21 for the appropriate year, by the district's average staff mix factor
22 for basic education and special education certificated instructional
23 staff in that school year, computed using LEAP Document 1S; and

24 (b) Salary allocations for certificated administrative staff units
25 and classified staff units for each district shall be based on the
26 district's certificated administrative and classified salary allocation
27 amounts shown on LEAP Document 12E for the appropriate year.

28 (2) For the purposes of this section:

29 (a) "Basic education certificated instructional staff" is defined
30 as provided in RCW 28A.150.100 and "special education certificated
31 staff" means staff assigned to the state-supported special education
32 program pursuant to chapter 28A.155 RCW in positions requiring a
33 certificate;

34 (b) "LEAP Document 1S" means the computerized tabulation
35 establishing staff mix factors for certificated instructional staff
36 according to education and years of experience, as developed by the
37 legislative evaluation and accountability program committee on March
38 25, 1999, at 16:55 hours; and

1 (c) "LEAP Document 12E" means the computerized tabulation of 2001-
 2 02 and 2002-03 school year salary allocations for certificated
 3 administrative staff and classified staff and derived and total base
 4 salaries for certificated instructional staff as developed by the
 5 legislative evaluation and accountability program committee on (~~March~~
 6 ~~13, 2001, at 16:32 hours~~) December 10, 2001, at 15:00 hours.

7 (3) Incremental fringe benefit factors shall be applied to salary
 8 adjustments at a rate of 10.63 percent for (~~school years~~) the 2001-02
 9 school year and 8.68 percent for the 2002-03 school year for
 10 certificated staff and 9.42 percent for (~~school years~~) the 2001-02
 11 school year and 8.58 percent for the 2002-03 school year for classified
 12 staff.

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

16 K-12 Salary Schedule for Certificated Instructional Staff
 17 2001-02 School Year

18 Years of						
19 Service	BA	BA+15	BA+30	BA+45	BA+90	
20 0	27,467	28,209	28,977	29,746	32,219	
21 1	27,836	28,588	29,366	30,171	32,668	
22 2	28,464	29,231	30,025	30,900	33,414	
23 3	29,401	30,192	31,009	31,931	34,490	
24 4	30,063	30,896	31,727	32,689	35,290	
25 5	30,750	31,595	32,443	33,468	36,085	
26 6	31,147	31,974	32,850	33,928	36,531	
27 7	32,164	33,010	33,909	35,055	37,724	
28 8	33,195	34,088	35,008	36,248	38,954	
29 9		35,205	36,169	37,455	40,223	
30 10			37,344	38,724	41,529	
31 11				40,029	42,895	
32 12				41,293	44,298	
33 13					45,736	
34 14					47,181	
35 15					48,408	
36 16 or more					49,376	

37 Years of MA+90

1	Service	BA+135	MA	MA+45	or PHD
2	0	33,811	32,931	35,403	36,996
3	1	34,252	33,297	35,793	37,377
4	2	35,030	33,995	36,509	38,124
5	3	36,177	35,027	37,585	39,273
6	4	37,007	35,755	38,355	40,072
7	5	37,853	36,503	39,121	40,889
8	6	38,308	36,904	39,508	41,285
9	7	39,569	38,031	40,700	42,546
10	8	40,867	39,225	41,930	43,843
11	9	42,201	40,430	43,200	45,177
12	10	43,572	41,700	44,505	46,549
13	11	44,979	43,005	45,872	47,956
14	12	46,446	44,362	47,275	49,422
15	13	47,947	45,766	48,712	50,923
16	14	49,505	47,212	50,251	52,481
17	15	50,792	48,439	51,557	53,846
18	16 or more	51,808	49,407	52,589	54,923

19 (~~(K-12 Allocation Salary Schedule~~
20 ~~For Certificated Instructional Staff~~
21 ~~2002-03 School Year~~

22	Years of	BA	BA+15	BA+30	BA+45	BA+90
23	Service					
24	0	28,318	29,083	29,875	30,668	33,217
25	1	28,699	29,473	30,276	31,106	33,680
26	2	29,345	30,137	30,955	31,857	34,449
27	3	30,312	31,127	31,970	32,920	35,559
28	4	30,994	31,854	32,710	33,702	36,383
29	5	31,703	32,574	33,448	34,505	37,203
30	6	32,112	32,964	33,868	34,979	37,663
31	7	33,160	34,033	34,959	36,141	38,893
32	8	34,223	35,145	36,092	37,372	40,161
33	9		36,295	37,289	38,616	41,470
34	10			38,501	39,923	42,815
35	11				41,269	44,225
36	12				42,572	45,671
37	13					47,153

1	14				48,642
2	15				49,907
3	16 or more				50,906
4	Years of				MA+90
5	Service	BA+135	MA	MA+45	or PHD
6	0	34,859	33,951	36,500	38,142
7	1	35,313	34,328	36,902	38,535
8	2	36,116	35,048	37,640	39,305
9	3	37,298	36,112	38,750	40,490
10	4	38,153	36,863	39,544	41,314
11	5	39,026	37,634	40,333	42,156
12	6	39,495	38,047	40,732	42,564
13	7	40,795	39,210	41,961	43,864
14	8	42,133	40,440	43,229	45,201
15	9	43,509	41,683	44,538	46,577
16	10	44,922	42,992	45,884	47,991
17	11	46,373	44,337	47,293	49,442
18	12	47,885	45,736	48,739	50,953
19	13	49,432	47,184	50,221	52,501
20	14	51,039	48,675	51,808	54,107
21	15	52,366	49,940	53,155	55,514
22	16 or more	53,413	50,938	54,218	56,624))

23 K-12 Salary Allocation Schedule For Certificated Instructional Staff
24 2002-03 School Year

25	<u>Years of</u>					
26	<u>Service</u>	<u>BA</u>	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>
27	<u>0</u>	<u>28,456</u>	<u>29,224</u>	<u>30,020</u>	<u>30,818</u>	<u>33,379</u>
28	<u>1</u>	<u>28,838</u>	<u>29,617</u>	<u>30,424</u>	<u>31,258</u>	<u>33,844</u>
29	<u>2</u>	<u>29,488</u>	<u>30,283</u>	<u>31,106</u>	<u>32,012</u>	<u>34,617</u>
30	<u>3</u>	<u>30,460</u>	<u>31,279</u>	<u>32,126</u>	<u>33,081</u>	<u>35,732</u>
31	<u>4</u>	<u>31,145</u>	<u>32,009</u>	<u>32,870</u>	<u>33,866</u>	<u>36,561</u>
32	<u>5</u>	<u>31,857</u>	<u>32,733</u>	<u>33,611</u>	<u>34,673</u>	<u>37,384</u>
33	<u>6</u>	<u>32,268</u>	<u>33,125</u>	<u>34,033</u>	<u>35,149</u>	<u>37,847</u>
34	<u>7</u>	<u>33,322</u>	<u>34,199</u>	<u>35,130</u>	<u>36,317</u>	<u>39,082</u>
35	<u>8</u>	<u>34,390</u>	<u>35,316</u>	<u>36,268</u>	<u>37,554</u>	<u>40,357</u>
36	<u>9</u>		<u>36,472</u>	<u>37,471</u>	<u>38,804</u>	<u>41,672</u>
37	<u>10</u>			<u>38,689</u>	<u>40,118</u>	<u>43,024</u>

1	<u>11</u>			<u>41,470</u>	<u>44,440</u>
2	<u>12</u>			<u>42,780</u>	<u>45,893</u>
3	<u>13</u>				<u>47,382</u>
4	<u>14</u>				<u>48,879</u>
5	<u>15</u>				<u>50,151</u>
6	<u>16 or more</u>				<u>51,154</u>
7	<u>Years of</u>			<u>MA+90</u>	
8	<u>Service</u>	<u>BA+135</u>	<u>MA</u>	<u>MA+45</u>	<u>or PHD</u>
9	<u>0</u>	<u>35,028</u>	<u>34,116</u>	<u>36,678</u>	<u>38,328</u>
10	<u>1</u>	<u>35,485</u>	<u>34,496</u>	<u>37,082</u>	<u>38,723</u>
11	<u>2</u>	<u>36,292</u>	<u>35,219</u>	<u>37,823</u>	<u>39,497</u>
12	<u>3</u>	<u>37,479</u>	<u>36,288</u>	<u>38,938</u>	<u>40,687</u>
13	<u>4</u>	<u>38,339</u>	<u>37,043</u>	<u>39,737</u>	<u>41,515</u>
14	<u>5</u>	<u>39,216</u>	<u>37,818</u>	<u>40,529</u>	<u>42,361</u>
15	<u>6</u>	<u>39,688</u>	<u>38,233</u>	<u>40,930</u>	<u>42,771</u>
16	<u>7</u>	<u>40,994</u>	<u>39,401</u>	<u>42,166</u>	<u>44,077</u>
17	<u>8</u>	<u>42,338</u>	<u>40,637</u>	<u>43,440</u>	<u>45,421</u>
18	<u>9</u>	<u>43,721</u>	<u>41,886</u>	<u>44,755</u>	<u>46,804</u>
19	<u>10</u>	<u>45,141</u>	<u>43,201</u>	<u>46,108</u>	<u>48,225</u>
20	<u>11</u>	<u>46,599</u>	<u>44,554</u>	<u>47,524</u>	<u>49,682</u>
21	<u>12</u>	<u>48,118</u>	<u>45,959</u>	<u>48,977</u>	<u>51,201</u>
22	<u>13</u>	<u>49,673</u>	<u>47,414</u>	<u>50,466</u>	<u>52,757</u>
23	<u>14</u>	<u>51,287</u>	<u>48,912</u>	<u>52,060</u>	<u>54,371</u>
24	<u>15</u>	<u>52,621</u>	<u>50,183</u>	<u>53,414</u>	<u>55,785</u>
25	<u>16 or more</u>	<u>53,673</u>	<u>51,186</u>	<u>54,482</u>	<u>56,900</u>

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

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

33 (i) Credits earned since receiving the masters degree; and

34 (ii) Any credits in excess of forty-five credits that were earned
35 after the baccalaureate degree but before the masters degree.

36 (5) For the purposes of this section:

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

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

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

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

4 (e) "Credits" means college quarter hour credits and equivalent in-
5 service credits computed in accordance with RCW 28A.415.020 and
6 28A.415.023.

7 (6) No more than ninety college quarter-hour credits received by
8 any employee after the baccalaureate degree may be used to determine
9 compensation allocations under the state salary allocation schedule and
10 LEAP documents referenced in this act, or any replacement schedules and
11 documents, unless:

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

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

15 (7) The certificated instructional staff base salary specified for
16 each district in LEAP Document 12E and the salary schedules in
17 subsection (4)(a) of this section include three learning improvement
18 days originally added in the 1999-00 school year. A school district is
19 eligible for the learning improvement day funds for school years 2001-
20 02 and 2002-03, only if three learning improvement days have been added
21 to the 180-day contract year. If fewer than three days are added, the
22 additional learning improvement allocation shall be adjusted
23 accordingly. The additional days shall be for activities related to
24 improving student learning consistent with education reform
25 implementation. The length of a learning improvement day shall not be
26 less than the length of a full day under the base contract. The
27 superintendent of public instruction shall ensure that school districts
28 adhere to the intent and purposes of this subsection.

29 (8) The salary allocation schedules established in this section are
30 for allocation purposes only except as provided in RCW 28A.400.200(2).

31 **Sec. 504.** 2001 2nd sp.s. c 7 s 504 (uncodified) is amended to read
32 as follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
34 **COMPENSATION ADJUSTMENTS**

35	General Fund--State Appropriation (FY 2002) . . . \$	((124,130,000))
36		<u>125,190,000</u>
37	General Fund--State Appropriation (FY 2003) . . . \$	((274,529,000))
38		<u>264,094,000</u>

1 TOTAL APPROPRIATION \$ ((398,659,000))
 2 389,284,000

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

5 (1) (~~(\$318,024,000)~~) \$332,703,000 is provided for a cost of living
 6 adjustment for state formula staff units of 3.7 percent effective
 7 September 1, 2001, and another salary adjustment effective on September
 8 1, 2002, in a percentage amount to be determined by the 2002
 9 legislature consistent with the provisions of chapter 4, Laws of 2001
 10 (Initiative Measure No. 732). The appropriations include associated
 11 incremental fringe benefit allocations at rates of 10.63 percent for
 12 (~~school years~~) the 2001-02 school year and 8.68 percent for the 2002-
 13 03 school year for certificated staff and 9.42 percent for (~~school~~
 14 ~~years~~) the 2001-02 school year and 8.58 percent for the 2002-03 school
 15 year for classified staff.

16 (a) The appropriations in this section include the increased
 17 portion of salaries and incremental fringe benefits for all relevant
 18 state-funded school programs in part V of this act, in accordance with
 19 chapter 4, Laws of 2001 (Initiative Measure No. 732). Salary
 20 adjustments for state employees in the office of superintendent of
 21 public instruction and the education reform program are provided in
 22 part VII of this act. Increases for general apportionment (basic
 23 education) are based on the salary allocation schedules and methodology
 24 in section 502 of this act. Increases for special education result
 25 from increases in each district's basic education allocation per
 26 student. Increases for educational service districts and institutional
 27 education programs are determined by the superintendent of public
 28 instruction using the methodology for general apportionment salaries
 29 and benefits in section 502 of this act.

30 (b) The appropriations in this section provide cost-of-living and
 31 incremental fringe benefit allocations based on formula adjustments as
 32 follows:

	School Year	
	2001-02	2002-03
35 Pupil Transportation (per weighted pupil mile)	\$ 0.77	((\$1.44))
36		<u>\$ 1.54</u>
37 Highly Capable (per formula student)	\$ 8.75	((\$16.35))
38		<u>\$ 17.27</u>

1	Transitional Bilingual Education (per eligible		
2	bilingual student)	\$ 22.73	((\$42.48))
3			<u>\$ 44.86</u>
4	Learning Assistance (per entitlement unit)	\$ 11.23	((\$20.99))
5			<u>\$ 22.27</u>
6	Substitute Teacher (allocation per teacher,		
7	section 502(7))	\$ 18.29	((\$34.18))
8			<u>\$ 36.75</u>

9 (2) This act appropriates general fund--state funds for the purpose
10 of providing the annual salary cost-of-living increase required by
11 section 2, chapter 4, Laws of 2001 (Initiative Measure No. 732) for
12 teachers and other school district employees in the state-funded salary
13 base. For employees not included in the state-funded salary base, the
14 annual salary cost-of-living increase may be provided by school
15 districts from the federal funds appropriated in this act and local
16 revenues, including the adjusted levy base as provided in RCW 84.52.053
17 and section 502 of this act, and state discretionary funds provided
18 under this act.

19 (3) ((~~\$80,635,000~~)) \$56,581,000 is provided for adjustments to
20 insurance benefit allocations. The maintenance rate for insurance
21 benefit allocations is \$427.73 per month for the 2001-02 and 2002-03
22 school years. The appropriations in this section provide for a rate
23 increase to \$455.27 per month for the 2001-02 school year and
24 ((~~\$493.59~~)) \$462.94 per month for the 2002-03 school year at the
25 following rates:

		School Year	
		2001-02	2002-03
28	Pupil Transportation (per weighted pupil mile)	\$ 0.25	((\$—0.60))
29			<u>\$ 0.32</u>
30	Highly Capable (per formula student)	\$ 1.74	((\$—4.18))
31			<u>\$ 2.24</u>
32	Transitional Bilingual Education (per eligible		
33	bilingual student)	\$ 4.46	((\$—10.66))
34			<u>\$ 5.70</u>
35	Learning Assistance (per entitlement unit)	\$ 3.51	((\$—8.38))
36			<u>\$ 4.48</u>

1 (4) The rates specified in this section are subject to revision
2 each year by the legislature.

3 **Sec. 505.** 2001 2nd sp.s. c 7 s 505 (uncodified) is amended to read
4 as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

6 General Fund--State Appropriation (FY 2002) . . . \$ ((~~193,198,000~~))
7 190,397,000

8 General Fund--State Appropriation (FY 2003) . . . \$ ((~~194,293,000~~))
9 191,195,000

10 TOTAL APPROPRIATION \$ ((~~387,491,000~~))
11 381,592,000

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

14 (1) Each general fund fiscal year appropriation includes such funds
15 as are necessary to complete the school year ending in the fiscal year
16 and for prior fiscal year adjustments.

17 (2) A maximum of \$767,000 of this fiscal year 2002 appropriation
18 and a maximum of ((~~\$785,000~~)) \$780,000 of the fiscal year 2003
19 appropriation may be expended for regional transportation coordinators
20 and related activities. The transportation coordinators shall ensure
21 that data submitted by school districts for state transportation
22 funding shall, to the greatest extent practical, reflect the actual
23 transportation activity of each district.

24 (3) \$15,000 of the fiscal year 2002 appropriation and \$20,000 of
25 the fiscal year 2003 appropriation are provided solely for the
26 transportation of students enrolled in "choice" programs.
27 Transportation shall be limited to low-income students who are
28 transferring to "choice" programs solely for educational reasons.

29 (4) Allocations for transportation of students shall be based on
30 reimbursement rates of \$37.11 per weighted mile in the 2001-02 school
31 year and ((~~\$37.38~~)) \$37.14 per weighted mile in the 2002-03 school year
32 exclusive of salary and benefit adjustments provided in section 504 of
33 this act. Allocations for transportation of students transported more
34 than one radius mile shall be based on weighted miles as determined by
35 superintendent of public instruction multiplied by the per mile
36 reimbursement rates for the school year pursuant to the formulas
37 adopted by the superintendent of public instruction. Allocations for
38 transportation of students living within one radius mile shall be based

1 on the number of enrolled students in grades kindergarten through five
2 living within one radius mile of their assigned school multiplied by
3 the per mile reimbursement rate for the school year multiplied by 1.29.

4 **Sec. 506.** 2001 2nd sp.s. c 7 s 507 (uncodified) is amended to read
5 as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
7 **PROGRAMS**

8	General Fund--State Appropriation (FY 2002) . . . \$	((419,264,000))
9		<u>423,305,000</u>
10	General Fund--State Appropriation (FY 2003) . . . \$	((420,644,000))
11		<u>423,240,000</u>
12	General Fund--Federal Appropriation \$	256,092,000
13	TOTAL APPROPRIATION \$	((1,096,000,000))
14		<u>1,102,637,000</u>

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

17 (1) Funding for special education programs is provided on an excess
18 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
19 that special education students as a class receive their full share of
20 the general apportionment allocation accruing through sections 502 and
21 504 of this act. To the extent a school district cannot provide an
22 appropriate education for special education students under chapter
23 28A.155 RCW through the general apportionment allocation, it shall
24 provide services through the special education excess cost allocation
25 funded in this section.

26 (2)(a) Effective with the 2001-02 school year, the superintendent
27 of public instruction shall change the S-275 personnel reporting system
28 and all related accounting requirements to ensure that:

29 (i) Special education students are basic education students first;

30 (ii) As a class, special education students are entitled to the
31 full basic education allocation; and

32 (iii) Special education students are basic education students for
33 the entire school day.

34 (b) Effective with the 2001-02 school year, the S-275 and
35 accounting changes shall supercede any prior excess cost methodologies
36 and shall be required of all school districts.

1 (3) Each general fund--state fiscal year appropriation includes
2 such funds as are necessary to complete the school year ending in the
3 fiscal year and for prior fiscal year adjustments.

4 (4) The superintendent of public instruction shall distribute state
5 funds to school districts based on two categories: The optional birth
6 through age two program for special education eligible developmentally
7 delayed infants and toddlers, and the mandatory special education
8 program for special education eligible students ages three to twenty-
9 one. A "special education eligible student" means a student receiving
10 specially designed instruction in accordance with a properly formulated
11 individualized education program.

12 (5)(a) For the 2001-02 and 2002-03 school years, the superintendent
13 shall distribute state funds to each district based on the sum of:

14 (i) A district's annual average headcount enrollment of
15 developmentally delayed infants and toddlers ages birth through two,
16 multiplied by the district's average basic education allocation per
17 full-time equivalent student, multiplied by 1.15; and

18 (ii) A district's annual average full-time equivalent basic
19 education enrollment multiplied by the funded enrollment percent
20 determined pursuant to subsection (6)(b) of this section, multiplied by
21 the district's average basic education allocation per full-time
22 equivalent student multiplied by 0.9309.

23 (b) For purposes of this subsection, "average basic education
24 allocation per full-time equivalent student" for a district shall be
25 based on the staffing ratios required by RCW 28A.150.260 and shall not
26 include enhancements, secondary vocational education, or small schools.

27 (6) The definitions in this subsection apply throughout this
28 section.

29 (a) "Annual average full-time equivalent basic education
30 enrollment" means the resident enrollment including students enrolled
31 through choice (RCW 28A.225.225) and students from nonhigh districts
32 (RCW 28A.225.210) and excluding students residing in another district
33 enrolled as part of an interdistrict cooperative program (RCW
34 28A.225.250).

35 (b) "Enrollment percent" means the district's resident special
36 education annual average enrollment, excluding the birth through age
37 two enrollment, as a percent of the district's annual average full-time
38 equivalent basic education enrollment. For the 2001-02 and the 2002-03
39 school years, each district's funded enrollment percent shall be the

1 lesser of the district's actual enrollment percent for the school year
2 for which the allocation is being determined or 12.7 percent for the
3 2001-02 school year or 13.0 percent for the 2002-03 school year.

4 (7) At the request of any interdistrict cooperative of at least 15
5 districts in which all excess cost services for special education
6 students of the districts are provided by the cooperative, the maximum
7 enrollment percent shall be 12.7 percent for the 2001-02 school year
8 and 13.0 percent for the 2002-03 school year, and shall be calculated
9 in the aggregate rather than individual district units. For purposes
10 of this subsection, the average basic education allocation per full-
11 time equivalent student shall be calculated in the aggregate rather
12 than individual district units.

13 (8) A maximum of \$12,000,000 of the general fund--state
14 appropriation for fiscal year 2002 and a maximum of \$10,623,000 of the
15 general fund--state appropriation for fiscal year 2003 are provided as
16 safety net funding for districts with demonstrated needs for state
17 special education funding beyond the amounts provided in subsection (5)
18 of this section. Safety net funding shall be awarded by the state
19 safety net oversight committee.

20 (a) The safety net oversight committee shall first consider the
21 needs of districts adversely affected by the 1995 change in the special
22 education funding formula. Awards shall be based on the lesser of the
23 amount required to maintain the 1994-95 state special education excess
24 cost allocation to the school district in aggregate or on a dollar per
25 funded student basis.

26 (b) The committee shall then consider unmet needs for districts
27 that can convincingly demonstrate that all legitimate expenditures for
28 special education exceed all available revenues from state funding
29 formulas. In the determination of need, the committee shall also
30 consider additional available revenues from federal and local sources.
31 Differences in program costs attributable to district philosophy,
32 service delivery choice, or accounting practices are not a legitimate
33 basis for safety net awards.

34 (c) The maximum allowable indirect cost for calculating safety net
35 eligibility may not exceed the federal restricted indirect cost rate
36 for the district plus one percent.

37 (d) Safety net awards shall be adjusted based on the percent of
38 potential medicaid eligible students billed as calculated by the
39 superintendent in accordance with chapter 318, Laws of 1999.

1 (e) Safety net awards must be adjusted for any audit findings or
2 exceptions related to special education funding.

3 (f) The superintendent may expend up to \$120,000 per year of the
4 amounts provided in this subsection to provide staff assistance to the
5 committee in analyzing applications for safety net funds received by
6 the committee.

7 (9) The superintendent of public instruction may adopt such rules
8 and procedures as are necessary to administer the special education
9 funding and safety net award process. Prior to revising any standards,
10 procedures, or rules, the superintendent shall consult with the office
11 of financial management and the fiscal committees of the legislature.

12 (10) The safety net oversight committee appointed by the
13 superintendent of public instruction shall consist of:

14 (a) One staff from the office of superintendent of public
15 instruction;

16 (b) Staff of the office of the state auditor;

17 (c) Staff of the office of the financial management; and

18 (d) One or more representatives from school districts or
19 educational service districts knowledgeable of special education
20 programs and funding.

21 (11) To the extent necessary, \$5,500,000 of the general fund--
22 federal appropriation shall be expended for safety net funding to meet
23 the extraordinary needs of one or more individual special education
24 students. If safety net awards to meet the extraordinary needs exceed
25 \$5,500,000 of the general fund--federal appropriation, the
26 superintendent shall expend all available federal discretionary funds
27 necessary to meet this need. General fund--state funds shall not be
28 expended for this purpose.

29 (12) A maximum of \$678,000 may be expended from the general fund--
30 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
31 full-time equivalent aides at children's orthopedic hospital and
32 medical center. This amount is in lieu of money provided through the
33 home and hospital allocation and the special education program.

34 (13) \$1,000,000 of the general fund--federal appropriation is
35 provided for projects to provide special education students with
36 appropriate job and independent living skills, including work
37 experience where possible, to facilitate their successful transition
38 out of the public school system. The funds provided by this subsection
39 shall be from federal discretionary grants.

1 (14) The superintendent shall maintain the percentage of federal
2 flow-through to school districts at 85 percent. In addition to other
3 purposes, school districts may use increased federal funds for high-
4 cost students, for purchasing regional special education services from
5 educational service districts, and for staff development activities
6 particularly relating to inclusion issues.

7 (15) A maximum of \$1,200,000 of the general fund--federal
8 appropriation may be expended by the superintendent for projects
9 related to use of inclusion strategies by school districts for
10 provision of special education services. The superintendent shall
11 prepare an information database on laws, best practices, examples of
12 programs, and recommended resources. The information may be
13 disseminated in a variety of ways, including workshops and other staff
14 development activities.

15 (16) A school district may carry over from one year to the next
16 year up to 10 percent of general fund--state funds allocated under this
17 program; however, carry over funds shall be expended in the special
18 education program.

19 **Sec. 507.** 2001 2nd sp.s. c 7 s 508 (uncodified) is amended to read
20 as follows:

21 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY**
22 **EDUCATION PROGRAMS**

23	General Fund--State Appropriation (FY 2002) . . . \$	((3,595,000))
24		<u>3,637,000</u>
25	General Fund--State Appropriation (FY 2003) . . . \$	((2,588,000))
26		<u>2,624,000</u>
27	TOTAL APPROPRIATION \$	((6,183,000))
28		<u>6,261,000</u>

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

31 (1) The appropriations include such funds as are necessary to
32 complete the school year ending in each fiscal year and for prior
33 fiscal year adjustments.

34 (2) A maximum of \$253,000 of the fiscal year 2002 general fund
35 appropriation and a maximum of \$254,000 of the fiscal year 2003 general
36 fund appropriation may be expended for regional traffic safety
37 education coordinators.

1 (3) Allocations to provide tuition assistance for students eligible
2 for free and reduced price lunch who complete the program shall be a
3 maximum of \$203.97 per eligible student in the 2001-02 and 2002-03
4 school years.

5 **Sec. 508.** 2001 2nd sp.s. c 7 s 509 (uncodified) is amended to read
6 as follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
8 **DISTRICTS**

9	General Fund--State Appropriation (FY 2002) . . . \$	4,768,000
10	General Fund--State Appropriation (FY 2003) . . . \$	((4,768,000))
11		<u>2,383,000</u>
12	TOTAL APPROPRIATION \$	((9,536,000))
13		<u>7,151,000</u>

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

16 (1) The educational service districts shall continue to furnish
17 financial services required by the superintendent of public instruction
18 and RCW 28A.310.190 (3) and (4).

19 (2) \$250,000 of the general fund appropriation for fiscal year 2000
20 (~~and \$250,000 of the general fund appropriation for fiscal year 2001~~
21 ~~are~~) is provided solely for student teaching centers as provided in
22 RCW 28A.415.100.

23 (3) A maximum of \$250,000 of the fiscal year 2002 general fund
24 appropriation (~~and a maximum of \$250,000 of the fiscal year 2003~~
25 ~~general fund appropriation are~~) is provided for centers for the
26 improvement of teaching pursuant to RCW 28A.415.010.

27 **Sec. 509.** 2001 2nd sp.s. c 7 s 510 (uncodified) is amended to read
28 as follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
30 **ASSISTANCE**

31	General Fund--State Appropriation (FY 2002) . . . \$	((136,315,000))
32		<u>140,514,000</u>
33	General Fund--State Appropriation (FY 2003) . . . \$	((148,329,000))
34		<u>155,886,000</u>
35	TOTAL APPROPRIATION \$	((284,644,000))
36		<u>296,400,000</u>

1 **Sec. 510.** 2001 2nd sp.s. c 7 s 511 (uncodified) is amended to read
2 as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
4 **EDUCATION PROGRAMS**

5	General Fund--State Appropriation (FY 2002) . . . \$	((19,133,000))
6		<u>19,099,000</u>
7	General Fund--State Appropriation (FY 2003) . . . \$	((19,115,000))
8		<u>18,555,000</u>
9	General Fund--Federal Appropriation \$	8,548,000
10	TOTAL APPROPRIATION \$	((46,796,000))
11		<u>46,202,000</u>

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

14 (1) Each general fund--state fiscal year appropriation includes
15 such funds as are necessary to complete the school year ending in the
16 fiscal year and for prior fiscal year adjustments.

17 (2) State funding provided under this section is based on salaries
18 and other expenditures for a 220-day school year. The superintendent
19 of public instruction shall monitor school district expenditure plans
20 for institutional education programs to ensure that districts plan for
21 a full-time summer program.

22 (3) State funding for each institutional education program shall be
23 based on the institution's annual average full-time equivalent student
24 enrollment. Staffing ratios for each category of institution shall
25 remain the same as those funded in the 1995-97 biennium.

26 (4) The funded staffing ratios for education programs for juveniles
27 age 18 or less in department of corrections facilities shall be the
28 same as those provided in the 1997-99 biennium.

29 (5) \$141,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$139,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely to maintain at least one
32 certificated instructional staff and related support services at an
33 institution whenever the K-12 enrollment is not sufficient to support
34 one full-time equivalent certificated instructional staff to furnish
35 the educational program. The following types of institutions are
36 included: Residential programs under the department of social and
37 health services for developmentally disabled juveniles, programs for
38 juveniles under the department of corrections, and programs for
39 juveniles under the juvenile rehabilitation administration.

1 (6) Ten percent of the funds allocated for each institution may be
2 carried over from one year to the next.

3 **Sec. 511.** 2001 2nd sp.s. c 7 s 512 (uncodified) is amended to read
4 as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
6 **CAPABLE STUDENTS**

7	General Fund--State Appropriation (FY 2002) . . . \$	((6,443,000))
8		<u>6,510,000</u>
9	General Fund--State Appropriation (FY 2003) . . . \$	((6,397,000))
10		<u>6,411,000</u>
11	TOTAL APPROPRIATION \$	((12,840,000))
12		<u>12,921,000</u>

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

15 (1) Each general fund fiscal year appropriation includes such funds
16 as are necessary to complete the school year ending in the fiscal year
17 and for prior fiscal year adjustments.

18 (2) Allocations for school district programs for highly capable
19 students shall be distributed at a maximum rate of ((~~\$328.10~~)) \$328.31
20 per funded student for the 2001-02 school year and ((~~\$328.05~~)) \$324.20
21 per funded student for the 2002-03 school year, exclusive of salary and
22 benefit adjustments pursuant to section 504 of this act. The number of
23 funded students shall be a maximum of two percent of each district's
24 full-time equivalent basic education enrollment.

25 (3) \$175,000 of the fiscal year 2002 appropriation and \$175,000 of
26 the fiscal year 2003 appropriation are provided for the centrum program
27 at Fort Worden state park.

28 (4) \$93,000 of the fiscal year 2002 appropriation and \$93,000 of
29 the fiscal year 2003 appropriation are provided for the Washington
30 imagination network and future problem-solving programs.

31 **Sec. 512.** 2001 2nd sp.s. c 7 s 513 (uncodified) is amended to read
32 as follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE ELEMENTARY AND**
34 **SECONDARY SCHOOL IMPROVEMENT ACT**

35	General Fund--Federal Appropriation \$	((288,166,000))
36		<u>300,244,000</u>

1 **Sec. 513.** 2001 2nd sp.s. c 7 s 514 (uncodified) is amended to read
2 as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS**

4	General Fund--State Appropriation (FY 2002) . . . \$	((35,882,000))
5		<u>36,880,000</u>
6	General Fund--State Appropriation (FY 2003) . . . \$	((36,363,000))
7		<u>31,256,000</u>
8	((General Fund--Federal Appropriation \$	3,000,000))
9	TOTAL APPROPRIATION \$	((75,245,000))
10		<u>68,136,000</u>

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

13 (1) \$322,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$322,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely for the academic achievement and
16 accountability commission.

17 (2) ~~((\$11,209,000))~~ \$12,209,000 of the general fund--state
18 appropriation for fiscal year 2002~~((, \$10,872,000))~~ and \$12,872,000 of
19 the general fund--state appropriation for fiscal year 2003~~((, and~~
20 ~~\$3,000,000 of the general fund--federal appropriation))~~ are provided
21 for development and implementation of the Washington assessments of
22 student learning. Up to \$689,000 of the appropriation may be expended
23 for data analysis and data management of test results.

24 (3) \$1,095,000 of the fiscal year 2002 general fund--state
25 appropriation ~~((and \$1,095,000 of the fiscal year 2003 general~~
26 ~~fund--state appropriation are))~~ is provided solely for training of
27 paraprofessional classroom assistants and certificated staff who work
28 with classroom assistants as provided in RCW 28A.415.310.

29 (4) \$4,695,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$4,695,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for mentor teacher assistance,
32 including state support activities, under RCW 28A.415.250 and
33 28A.415.260, and for a mentor academy. Up to \$200,000 of the amount in
34 this subsection may be used each fiscal year to operate a mentor
35 academy to help districts provide effective training for peer mentors.
36 Funds for the teacher assistance program shall be allocated to school
37 districts based on the number of first year beginning teachers.

1 (a) A teacher assistance program is a program that provides to a
2 first year beginning teacher peer mentor services that include but are
3 not limited to:

4 (i) An orientation process and individualized assistance to help
5 beginning teachers who have been hired prior to the start of the school
6 year prepare for the start of a school year;

7 (ii) The assignment of a peer mentor whose responsibilities to the
8 beginning teacher include but are not limited to constructive feedback,
9 the modeling of instructional strategies, and frequent meetings and
10 other forms of contact;

11 (iii) The provision by peer mentors of strategies, training, and
12 guidance in critical areas such as classroom management, student
13 discipline, curriculum management, instructional skill, assessment,
14 communication skills, and professional conduct. A district may provide
15 these components through a variety of means including one-on-one
16 contact and workshops offered by peer mentors to groups, including
17 cohort groups, of beginning teachers;

18 (iv) The provision of release time, substitutes, mentor training in
19 observation techniques, and other measures for both peer mentors and
20 beginning teachers, to allow each an adequate amount of time to observe
21 the other and to provide the classroom experience that each needs to
22 work together effectively;

23 (v) Assistance in the incorporation of the essential academic
24 learning requirements into instructional plans and in the development
25 of complex teaching strategies, including strategies to raise the
26 achievement of students with diverse learning styles and backgrounds;
27 and

28 (vi) Guidance and assistance in the development and implementation
29 of a professional growth plan. The plan shall include a professional
30 self-evaluation component and one or more informal performance
31 assessments. A peer mentor may not be involved in any evaluation under
32 RCW 28A.405.100 of a beginning teacher whom the peer mentor has
33 assisted through this program.

34 (b) In addition to the services provided in (a) of this subsection,
35 an eligible peer mentor program shall include but is not limited to the
36 following components:

37 (i) Strong collaboration among the peer mentor, the beginning
38 teacher's principal, and the beginning teacher;

1 (ii) Stipends for peer mentors and, at the option of a district,
2 for beginning teachers. The stipends shall not be deemed compensation
3 for the purposes of salary lid compliance under RCW 28A.400.200 and are
4 not subject to the continuing contract provisions of Title 28A RCW; and

5 (iii) To the extent that resources are available for this purpose
6 and that assistance to beginning teachers is not adversely impacted,
7 the program may serve second year and more experienced teachers who
8 request the assistance of peer mentors.

9 (5) \$2,025,000 of the general fund--state appropriation for fiscal
10 year 2002 (~~(and \$2,025,000 of the general fund--state appropriation for~~
11 ~~fiscal year 2003 are))~~ is provided for improving technology
12 infrastructure, monitoring and reporting on school district technology
13 development, promoting standards for school district technology,
14 promoting statewide coordination and planning for technology
15 development, and providing regional educational technology support
16 centers, including state support activities, under chapter 28A.650 RCW.
17 The superintendent of public instruction shall coordinate a process to
18 facilitate the evaluation and provision of online curriculum courses to
19 school districts which includes the following: Creation of a general
20 listing of the types of available online curriculum courses; a survey
21 conducted by each regional educational technology support center of
22 school districts in its region regarding the types of online curriculum
23 courses desired by school districts; a process to evaluate and
24 recommend to school districts the best online courses in terms of
25 curriculum, student performance, and cost; and assistance to school
26 districts in procuring and providing the courses to students.

27 (6) \$3,600,000 of the general fund--state appropriation for fiscal
28 year 2002 (~~(and \$3,600,000 of the general fund--state appropriation for~~
29 ~~fiscal year 2003 are))~~ is provided for grants to school districts to
30 provide a continuum of care for children and families to help children
31 become ready to learn. Grant proposals from school districts shall
32 contain local plans designed collaboratively with community service
33 providers. If a continuum of care program exists in the area in which
34 the school district is located, the local plan shall provide for
35 coordination with existing programs to the greatest extent possible.
36 Grant funds shall be allocated pursuant to RCW 70.190.040.

37 (7) \$2,500,000 of the general fund--state appropriation for fiscal
38 year 2002 and \$2,500,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for the meals for kids program
2 under RCW 28A.235.145 through 28A.235.155.

3 (8) \$1,409,000 of the general fund--state appropriation for fiscal
4 year 2002 and (~~(\$1,409,000)~~) \$921,000 of the general fund--state
5 appropriation for fiscal year 2003 are provided solely for the
6 leadership internship program for superintendents, principals, and
7 program administrators.

8 (9) \$1,828,000 of the general fund--state appropriation for fiscal
9 year 2002 and \$1,828,000 of the general fund--state appropriation for
10 fiscal year 2003 are provided solely for the mathematics helping corps
11 subject to the following conditions and limitations:

12 (a) In order to increase the availability and quality of technical
13 mathematics assistance statewide, the superintendent of public
14 instruction shall employ mathematics school improvement specialists to
15 provide assistance to schools and districts. The specialists shall be
16 hired by and work under the direction of a statewide school improvement
17 coordinator. The mathematics improvement specialists shall serve on a
18 rotating basis from one to (~~(three)~~) four years and shall not be
19 permanent employees of the superintendent of public instruction.

20 (b) The school improvement specialists shall provide the following:

21 (i) Assistance to schools to disaggregate student performance data
22 and develop improvement plans based on those data;

23 (ii) Consultation with schools and districts concerning their
24 performance on the Washington assessment of student learning and other
25 assessments emphasizing the performance on the mathematics assessments;

26 (iii) Consultation concerning curricula that aligns with the
27 essential academic learning requirements emphasizing the academic
28 learning requirements for mathematics, the Washington assessment of
29 student learning, and meets the needs of diverse learners;

30 (iv) Assistance in the identification and implementation of
31 research-based instructional practices in mathematics;

32 (v) Staff training that emphasizes effective instructional
33 strategies and classroom-based assessment for mathematics;

34 (vi) Assistance in developing and implementing family and community
35 involvement programs emphasizing mathematics; and

36 (vii) Other assistance to schools and school districts intended to
37 improve student mathematics learning.

38 (10) A maximum of \$500,000 of the general fund--state appropriation
39 for fiscal year 2002 and a maximum of \$500,000 of the general fund--

1 state appropriation for fiscal year 2003 are provided for summer
2 accountability institutes offered by the superintendent of public
3 instruction and the academic achievement and accountability commission.
4 The institutes shall provide school district staff with training in the
5 analysis of student assessment data, information regarding successful
6 district and school teaching models, research on curriculum and
7 instruction, and planning tools for districts to improve instruction in
8 reading, mathematics, language arts, and guidance and counseling.

9 (11) \$3,930,000 of the general fund--state appropriation for fiscal
10 year 2002 and \$3,829,000 of the general fund--state appropriation for
11 fiscal year 2003 are provided solely for the Washington reading corps
12 subject to the following conditions and limitations:

13 (a) Grants shall be allocated to schools and school districts to
14 implement proven, research-based mentoring and tutoring programs in
15 reading for low-performing students in grades K-6. If the grant is
16 made to a school district, the principals of schools enrolling targeted
17 students shall be consulted concerning design and implementation of the
18 program.

19 (b) The programs may be implemented before, after, or during the
20 regular school day, or on Saturdays, summer, intercessions, or other
21 vacation periods.

22 (c) Two or more schools may combine their Washington reading corps
23 programs.

24 (d) A program is eligible for a grant if it meets the following
25 conditions:

26 (i) The program employs methods of teaching and student learning
27 based on reliable reading/literacy research and effective practices;

28 (ii) The program design is comprehensive and includes instruction,
29 on-going student assessment, professional development,
30 parental/community involvement, and program management aligned with the
31 school's reading curriculum;

32 (iii) It provides quality professional development and training for
33 teachers, staff, and volunteer mentors and tutors;

34 (iv) It has measurable goals for student reading aligned with the
35 essential academic learning requirements; and

36 (v) It contains an evaluation component to determine the
37 effectiveness of the program.

38 (e) Funding priority shall be given to low-performing schools.

1 (f) Beginning and end-of-program testing data shall be available to
2 determine the effectiveness of funded programs and practices. Common
3 evaluative criteria across programs, such as grade-level improvements
4 shall be available for each reading corps program. The superintendent
5 of public instruction shall provide program evaluations to the governor
6 and the appropriate committees of the legislature. Administrative and
7 evaluation costs may be assessed from the annual appropriation for the
8 program.

9 (g) Grants provided under this section may be used by schools and
10 school districts for expenditures from September 2001 through August
11 31, 2003.

12 (12) (~~(\$377,000)~~) \$375,000 of the general fund--state appropriation
13 for fiscal year 2002 and (~~(\$701,000)~~) \$802,000 of the general fund--
14 state appropriation for fiscal year 2003 are provided solely for salary
15 bonuses for teachers who attain certification by the national board for
16 professional teaching standards.

17 (~~((b))~~) (a) In the 2001-02 and 2002-03 school years, teachers who
18 have attained certification by the national board (~~((in the 2000-01
19 school year or the 2001-02 school year or the 2002-03 school year))~~)
20 shall receive an annual bonus not to exceed \$3,500.

21 (~~((e))~~) (b) The annual bonus shall be paid in a lump sum amount
22 (~~((and shall not be included in the definition of "earnable
23 compensation" under RCW 41.32.010(10))~~).

24 (~~((d) It is the intent of the legislature that teachers achieving
25 certification by the national board of professional teaching standards
26 will receive no more than three annual bonus payments for attaining
27 certification by the national board.))~~)

28 (13) \$625,000 of the general fund--state appropriation for fiscal
29 year 2002 and \$625,000 of the general fund--state appropriation for
30 fiscal year 2003 are provided for a principal support program. The
31 office of the superintendent of public instruction may contract with an
32 independent organization to administer the program. The program shall
33 include: (a) Development of an individualized professional growth plan
34 for a new principal or principal candidate; and (b) participation of a
35 mentor principal who works over a period of between one and three years
36 with the new principal or principal candidate to help him or her build
37 the skills identified as critical to the success of the professional
38 growth plan.

1 (14) \$71,000 of the general fund--state appropriation for fiscal
2 year 2002 and \$71,000 of the general fund--state appropriation for
3 fiscal year 2003 are provided solely for the second grade reading test.
4 The funds shall be expended for assessment training for new second
5 grade teachers and replacement of assessment materials.

6 (15) \$384,000 of the general fund--state appropriation for fiscal
7 year 2002 and \$384,000 of the general fund--state appropriation for
8 fiscal year 2003 are provided for the superintendent to assist schools
9 in implementing high academic standards, aligning curriculum with these
10 standards, and training teachers to use assessments to improve student
11 learning. Funds may also be used to increase community and parental
12 awareness of education reform.

13 (16) \$130,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$130,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided for the development and posting of web-
16 based instructional tools, assessment data, and other information that
17 assists schools and teachers implementing higher academic standards.

18 (17) \$1,000,000 of the general fund--state appropriation for fiscal
19 year 2002 and \$1,800,000 of the general fund--state appropriation for
20 fiscal year 2003 are provided solely to the office of the
21 superintendent of public instruction for focused assistance. The
22 office of the superintendent of public instruction shall conduct
23 educational audits of low-performing schools and enter into performance
24 agreements between school districts and the office to implement the
25 recommendations of the audit and the community. Of the amounts
26 provided, \$219,000 of the fiscal year 2002 appropriation and \$207,000
27 of the fiscal year 2003 appropriation are provided to the office of the
28 superintendent of public instruction for the administrative duties
29 arising under this subsection. Each educational audit shall include
30 recommendations for best practices and ways to address identified needs
31 and shall be presented to the community in a public meeting to seek
32 input on ways to implement the audit and its recommendations.

33 (18) \$100,000 of the general fund--state appropriation for fiscal
34 year 2002 is provided solely for grants to school districts to adopt or
35 revise district-wide and school-level plans to achieve performance
36 improvement goals established under RCW 28A.655.030, and to post a
37 summary of the improvement plans on district websites using a common
38 format provided by the office of the superintendent of public
39 instruction.

1 (19) \$100,000 of the general fund--state appropriation for fiscal
2 year 2002 is provided solely for recognition plaques for schools that
3 successfully met the fourth grade reading improvement goal established
4 under RCW 28A.655.050.

5 **Sec. 514.** 2001 2nd sp.s. c 7 s 515 (uncodified) is amended to read
6 as follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
8 **BILINGUAL PROGRAMS**

9	General Fund--State Appropriation (FY 2002) . . . \$	((43,044,000))
10		<u>43,186,000</u>
11	General Fund--State Appropriation (FY 2003) . . . \$	((45,171,000))
12		<u>44,705,000</u>
13	TOTAL APPROPRIATION \$	((88,215,000))
14		<u>87,891,000</u>

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

17 (1) Each general fund fiscal year appropriation includes such funds
18 as are necessary to complete the school year ending in the fiscal year
19 and for prior fiscal year adjustments.

20 (2) The superintendent shall distribute a maximum of \$687.19 per
21 eligible bilingual student in the 2001-02 school year and ((~~\$687.19~~))
22 \$676.36 in the 2002-03 school year, exclusive of salary and benefit
23 adjustments provided in section 504 of this act.

24 (3) The superintendent may withhold up to \$295,000 in school year
25 2001-02 and up to \$268,000 in school year 2002-03, and adjust the per
26 eligible pupil rates in subsection (2) of this section accordingly, for
27 the central provision of assessments as provided in section 2(1) and
28 (2) of Engrossed Second Substitute House Bill No. 2025.

29 (4) \$70,000 of the amounts appropriated in this section are
30 provided solely to develop a system for the tracking of current and
31 former transitional bilingual program students.

32 (5) Sufficient funding is provided to implement Engrossed Second
33 Substitute House Bill No. 2025 (schools/bilingual instruction).

34 **Sec. 515.** 2001 2nd sp.s. c 7 s 516 (uncodified) is amended to read
35 as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
37 **ASSISTANCE PROGRAM**

1	General Fund--State Appropriation (FY 2002) . . . \$	((70,593,000))
2		<u>71,166,000</u>
3	General Fund--State Appropriation (FY 2003) . . . \$	((68,817,000))
4		<u>69,491,000</u>
5	TOTAL APPROPRIATION \$	((139,410,000))
6		<u>140,657,000</u>

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

9 (1) Each general fund fiscal year appropriation includes such funds
10 as are necessary to complete the school year ending in the fiscal year
11 and for prior fiscal year adjustments.

12 (2) Funding for school district learning assistance programs shall
13 be allocated at maximum rates of \$408.38 per funded unit for the 2001-
14 02 school year and ((~~\$409.41~~)) \$405.18 per funded unit for the 2002-03
15 school year exclusive of salary and benefit adjustments provided under
16 section 504 of this act.

17 (3) For purposes of this section, "test results" refers to the
18 district results from the norm-referenced test administered in the
19 specified grade level. The norm-referenced test results used for the
20 third and sixth grade calculations shall be consistent with the third
21 and sixth grade tests required under RCW 28A.230.190 and 28A.230.193.

22 (4) A school district's funded units for the 2001-02 and 2002-03
23 school years shall be the sum of the following:

24 (a) The district's full-time equivalent enrollment in grades K-6,
25 multiplied by the 5-year average 4th grade lowest quartile test results
26 as adjusted for funding purposes in the school years prior to 1999-
27 2000, multiplied by 0.92. As the 3rd grade test becomes available, it
28 shall be phased into the 5-year average on a 1-year lag; and

29 (b) The district's full-time equivalent enrollment in grades 7-9,
30 multiplied by the 5-year average 8th grade lowest quartile test results
31 as adjusted for funding purposes in the school years prior to 1999-
32 2000, multiplied by 0.92. As the 6th grade test becomes available, it
33 shall be phased into the 5-year average for these grades on a 1-year
34 lag; and

35 (c) The district's full-time equivalent enrollment in grades 10-11
36 multiplied by the 5-year average 11th grade lowest quartile test
37 results, multiplied by 0.92. As the 9th grade test becomes available,
38 it shall be phased into the 5-year average for these grades on a 1-year
39 lag; and

1 (d) If, in the prior school year, the district's percentage of
2 October headcount enrollment in grades K-12 eligible for free and
3 reduced price lunch exceeded the state average, subtract the state
4 average percentage of students eligible for free and reduced price
5 lunch from the district's percentage and multiply the result by the
6 district's K-12 annual average full-time equivalent enrollment for the
7 current school year multiplied by 22.3 percent.

8 (5) School districts may carry over from one year to the next up to
9 10 percent of funds allocated under this program; however, carryover
10 funds shall be expended for the learning assistance program.

11 **Sec. 516.** 2001 2nd sp.s. c 7 s 517 (uncodified) is amended to read
12 as follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS**

14 General Fund--State Appropriation (FY 2002) . . . \$	((19,515,000))
	<u>19,645,000</u>
16 General Fund--State Appropriation (FY 2003) . . . \$	((17,516,000))
	<u>3,539,000</u>
18 TOTAL APPROPRIATION \$	((37,031,000))
	<u>23,184,000</u>

19

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

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

25 (2) Funds are provided for local education program enhancements to
26 meet educational needs as identified by the school district, including
27 alternative education programs.

28 (3) Allocations for the 2001-02 school year shall be at a maximum
29 annual rate of \$18.48 per full-time equivalent student (~~and \$18.48 per~~
30 ~~full-time equivalent student for the 2002-03 school year~~).
31 Allocations shall be made on the monthly apportionment payment schedule
32 provided in RCW 28A.510.250 and shall be based on school district
33 annual average full-time equivalent enrollment in grades kindergarten
34 through twelve: PROVIDED, That for school districts enrolling not more
35 than one hundred average annual full-time equivalent students, and for
36 small school plants within any school district designated as remote and
37 necessary schools, the allocations shall be as follows:

1 (a) Enrollment of not more than sixty average annual full-time
2 equivalent students in grades kindergarten through six shall generate
3 funding based on sixty full-time equivalent students;

4 (b) Enrollment of not more than twenty average annual full-time
5 equivalent students in grades seven and eight shall generate funding
6 based on twenty full-time equivalent students; and

7 (c) Enrollment of not more than sixty average annual full-time
8 equivalent students in grades nine through twelve shall generate
9 funding based on sixty full-time equivalent students.

10 (4) Funding provided pursuant to this section does not fall within
11 the definition of basic education for purposes of Article IX of the
12 state Constitution and the state's funding duty thereunder.

13 (5) The superintendent shall not allocate up to one-fourth of a
14 district's funds under this section if:

15 (a) The district is not maximizing federal matching funds for
16 medical services provided through special education programs, pursuant
17 to RCW 74.09.5241 through 74.09.5256 (Title XIX funding); or

18 (b) The district is not in compliance in filing truancy petitions
19 as required under chapter 312, Laws of 1995 and RCW 28A.225.030.

20 **Sec. 517.** 2001 2nd sp.s. c 7 s 518 (uncodified) is amended to read
21 as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BETTER SCHOOLS PROGRAM**
23 General Fund--State Appropriation (FY 2002) . . . \$ ~~((8,996,000))~~
24 8,964,000

25 The appropriation in this section is subject to the following
26 conditions and limitations: ~~((8,996,000))~~ \$8,964,000 is provided
27 solely to complete the 2000-01 school year allocation for class size
28 reduction and expanded learning opportunities pursuant to section 518,
29 chapter 1, Laws of 2000 2nd sp. sess.

30 **Sec. 518.** 2001 2nd sp.s. c 7 s 519 (uncodified) is amended to read
31 as follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**
33 **PROGRAM**
34 Student Achievement Fund--State
35 Appropriation (FY 2002) \$ ~~((184,232,000))~~
36 184,337,000
37 Student Achievement Fund--State

1	Appropriation (FY 2003)	\$	((209,068,000))
2			<u>210,177,000</u>
3	TOTAL APPROPRIATION	\$	((393,300,000))
4			<u>394,514,000</u>

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

7 (1) The appropriation is allocated for the following uses as
8 specified in chapter 28A.505 RCW as amended by chapter 3, Laws of 2001
9 (Initiative Measure No. 728):

10 (a) To reduce class size by hiring certificated elementary
11 classroom teachers in grades K-4 and paying nonemployee-related costs
12 associated with those new teachers;

13 (b) To make selected reductions in class size in grades 5-12, such
14 as small high school writing classes;

15 (c) To provide extended learning opportunities to improve student
16 academic achievement in grades K-12, including, but not limited to,
17 extended school year, extended school day, before-and-after-school
18 programs, special tutoring programs, weekend school programs, summer
19 school, and all-day kindergarten;

20 (d) To provide additional professional development for educators
21 including additional paid time for curriculum and lesson redesign and
22 alignment, training to ensure that instruction is aligned with state
23 standards and student needs, reimbursement for higher education costs
24 related to enhancing teaching skills and knowledge, and mentoring
25 programs to match teachers with skilled, master teachers. The funding
26 shall not be used for salary increases or additional compensation for
27 existing teaching duties, but may be used for extended year and extend
28 day teaching contracts;

29 (e) To provide early assistance for children who need
30 prekindergarten support in order to be successful in school; or

31 (f) To provide improvements or additions to school building
32 facilities which are directly related to the class size reductions and
33 extended learning opportunities under (a) through (c) of this
34 subsection.

35 (2) Funding for school district student achievement programs shall
36 be allocated at a maximum rate of ((~~\$193.92~~)) \$193.88 per FTE student
37 for the 2001-02 school year and ((~~\$220.59~~)) \$219.93 per FTE student for
38 the 2002-03 school year. For the purposes of this section and in
39 accordance with RCW ((~~84.52.---~~)) 84.52.068 (section 5 of Initiative

1 Measure No. 728), FTE student refers to the annual average full-time
2 equivalent enrollment of the school district in grades kindergarten
3 through twelve for the prior school year.

4 (3) The office of the superintendent of public instruction shall
5 distribute ten percent of the annual allocation to districts each month
6 for the months of September through June.

7 **Sec. 519.** 2001 2nd sp.s. c 7 s 521 (uncodified) is amended to read
8 as follows:

9 **FOR THE STATE BOARD OF EDUCATION**

10 Education Savings Account--State

11 Appropriation \$ ((~~36,720,000~~))
12 36,656,000

13 Education Construction Account--State

14 Appropriation \$ ((~~154,500,000~~))
15 129,500,000

16 TOTAL APPROPRIATION \$ ((~~191,220,000~~))
17 166,156,000

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

20 (1) ((~~\$18,000,000~~)) \$17,936,000 in fiscal year 2002 and \$18,720,000
21 in fiscal year 2003 of the education savings account appropriation
22 shall be deposited in the common school construction account.

23 (2) ((~~\$154,500,000~~)) \$129,500,000 of the education construction
24 account appropriation shall be deposited in the common school
25 construction account.

26 (End of part)

1 institution may provide the same average increases to similar positions
2 that are not state-funded.

3 (d) The community and technical colleges shall provide to academic
4 employees, exempt professional staff, and academic administrators an
5 average salary increase of 3.7 percent on July 1, 2001. Funds are also
6 provided for salary increases for these groups on July 1, 2002, in a
7 percentage amount to be determined by the 2002 legislature and, in the
8 case of community college academic employees and technical college
9 employees, consistent with the provisions of Initiative 732.

10 (e) For employees under the jurisdiction of chapter 41.56 RCW
11 pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1),
12 distribution of the salary increases will be in accordance with the
13 applicable collective bargaining agreement. However, an increase shall
14 not be provided to any classified employee whose salary is above the
15 approved salary range maximum for the class to which the employee's
16 position is allocated.

17 (f) Each institution of higher education receiving appropriations
18 under sections 604 through 609 of this act may provide additional
19 salary increases to instructional and research faculty, exempt
20 professional staff, academic administrators, academic librarians,
21 counselors, teaching and research assistants, as classified by the
22 office of financial management, and all other nonclassified staff, but
23 not including employees under RCW 28B.16.015. Any salary increase
24 granted under the authority of this subsection (2)(f) shall not be
25 included in an institution's salary base. It is the intent of the
26 legislature that general fund--state support for an institution shall
27 not increase during the current or any future biennium as a result of
28 any salary increases authorized under this subsection (2)(f).

29 (g) To collect consistent data for use by the legislature, the
30 office of financial management, and other state agencies for policy and
31 planning purposes, institutions of higher education shall report
32 personnel data to be used in the department of personnel's human
33 resource data warehouse in compliance with uniform reporting procedures
34 established by the department of personnel.

35 (h) Specific salary increases authorized in sections 603 through
36 609 of this act are in addition to any salary increase provided in this
37 subsection.

38 (3) The tuition fees, as defined in chapter 28B.15 RCW, charged to
39 full-time students at the state's institutions of higher education for

1 the 2001-02 and 2002-03 academic years, other than the summer term, may
2 be adjusted by the governing boards of the state universities, regional
3 universities, The Evergreen State College, and the state board for
4 community and technical colleges as provided in this subsection.

5 (a) For the 2001-02 academic year, the governing boards and the
6 state board may implement an increase no greater than six and seven-
7 tenths percent over tuition fees charged to full-time students for the
8 2000-01 academic year.

9 (b) For the 2002-03 academic year, the governing boards and the
10 state board may implement an increase (~~((no greater than six and one-~~
11 ~~tenth percent))~~) over the tuition fees charged to full-time students for
12 the 2001-02 academic year.

13 (c) For the 2001-02 academic year, the governing boards may
14 implement an increase for law and graduate business programs no greater
15 than twelve percent over tuition fees charged to law and graduate
16 business students for the 2000-01 academic year, except as provided in
17 (e) of this subsection.

18 (d) For the 2002-03 academic year, the governing boards may
19 implement an increase for law and graduate business programs (~~((no~~
20 ~~greater than twelve percent))~~) over tuition fees charged to law and
21 graduate business students for the 2001-02 academic year, except as
22 provided in (f) of this subsection.

23 (e) For the 2001-02 academic year, the governing boards of the
24 University of Washington may implement an increase for graduate
25 business programs no greater than 15 percent over tuition fees charged
26 to graduate business students for the 2000-01 academic year.

27 (f) For the 2002-03 academic year, the governing boards of the
28 University of Washington may implement an increase for graduate
29 business programs (~~((no greater than 20 percent))~~) over tuition fees
30 charged to graduate business students for the 2001-02 academic year.

31 (g) For the 2001-02 (~~((and the 2002-03 academic years))~~), the state
32 board for community and technical colleges may increase fees
33 differentially based on student credit hour load, but the percentage
34 increase for students taking fifteen or fewer credits shall not exceed
35 the limits in subsection (3)(a) (~~((and (b)))~~) of this section. For the
36 2002-03 academic year, the state board for community and technical
37 colleges may increase fees differentially at their discretion.

38 (h) For the 2001-03 biennium, the governing boards and the state
39 board may adjust full-time operating fees for factors that may include

1 time of day and day of week, as well as delivery method and campus, to
2 encourage full use of the state's educational facilities and resources.

3 (i) The tuition increases adopted under (a), (b), (g), and (h) of
4 this subsection need not apply uniformly across student categories as
5 defined in chapter 28B.15 RCW so long as the increase for each student
6 category does not exceed the percentages specified in this subsection.

7 (4) In addition to waivers granted under the authority of RCW
8 28B.15.910, the governing boards and the state board may waive all or
9 a portion of the operating fees for any student. State general fund
10 appropriations shall not be provided to replace tuition and fee revenue
11 foregone as a result of waivers granted under this subsection.

12 (5) Pursuant to RCW 43.15.055, 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 2001-03 biennium. Tuition levels increased
16 pursuant to this subsection shall not exceed the per credit hour rate
17 calculated from the academic year tuition levels adopted under this
18 act.

19 (6) Community colleges may increase services and activities fee
20 charges in excess of the fiscal growth factor up to the maximum level
21 authorized by the state board for community and technical colleges.

22 (7) Each institution receiving appropriations under sections 604
23 through 609 of this act shall submit a biennial plan to achieve
24 measurable and specific improvements each academic year as part of a
25 continuing effort to make meaningful and substantial progress towards
26 the achievement of long-term performance goals. The plans, to be
27 prepared at the direction of the higher education coordinating board,
28 shall be submitted by August 15, 2001. The higher education
29 coordinating board shall set biennial performance targets for each
30 institution and shall review actual achievements annually.
31 Institutions shall track their actual performance on the statewide
32 measures as well as faculty productivity, the goals and targets for
33 which may be unique to each institution. A report on progress towards
34 statewide and institution-specific goals, with recommendations for the
35 ensuing biennium, shall be submitted to the fiscal and higher education
36 committees of the legislature by November 15, 2003.

37 (8) The state board for community and technical colleges shall
38 develop a biennial plan to achieve measurable and specific improvements
39 each academic year as part of a continuing effort to make meaningful

1 and substantial progress to achieve long-term performance goals. The
 2 board shall set biennial performance targets for each college or
 3 district, where appropriate, and shall review actual achievements
 4 annually. Colleges shall track their actual performance on the
 5 statewide measures. A report on progress towards the statewide goals,
 6 with recommendations for the ensuing biennium, shall be submitted to
 7 the fiscal and higher education committees of the legislature by
 8 November 15, 2003.

9 **Sec. 602.** 2001 2nd sp.s. c 7 s 602 (uncodified) is amended to read
 10 as follows:

11 The appropriations in sections 603 through 609 of this act provide
 12 state general fund support for full-time equivalent student enrollments
 13 at each institution of higher education. Listed below are the annual
 14 full-time equivalent student enrollments by institutions assumed in
 15 this act.

	2001-2002	2002-2003
	Annual	Annual
	Average	Average
19 University of Washington		
20 Main campus	32,321	32,427
21 Bothell branch	1,169	1,235
22 Tacoma branch	1,330	1,484
23 Washington State University		
24 Main campus	17,332	17,332
25 Spokane branch	551	593
26 Tri-Cities branch	616	616
27 Vancouver branch	1,071	1,153
28 Central Washington University	7,470	7,470
29 Eastern Washington University	7,933	8,017
30 The Evergreen State College	3,754	3,837
31 Western Washington University	10,976	11,126
32 State Board for Community and		
33 Technical Colleges	125,082	((126,902))
34		<u>128,402</u>

1 When allocating newly budgeted enrollments, each institution of
2 higher education shall give priority to high demand fields, including
3 but not limited to technology, health professions, and education. At
4 the end of each fiscal year, each institution of higher education and
5 the state board for community and technical colleges shall submit a
6 report to the higher education coordinating board detailing how newly
7 budgeted enrollments have been allocated.

8 **Sec. 603.** 2001 2nd sp.s. c 7 s 603 (uncodified) is amended to read
9 as follows:

10 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

11	General Fund--State Appropriation (FY 2002) . . . \$	514,399,000
12	General Fund--State Appropriation (FY 2003) . . . \$	((543,731,000))
13		<u>531,412,000</u>
14	General Fund--Federal Appropriation \$	11,404,000
15	Education Savings Account--State	
16	Appropriation \$	4,500,000
17	TOTAL APPROPRIATION \$	((1,074,034,000))
18		<u>1,061,715,000</u>

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

21 (1) The technical colleges may increase tuition and fees in excess
22 of the fiscal growth factor to conform with the percentage increase in
23 community college operating fees.

24 (2) \$2,475,000 of the general fund--state appropriation for fiscal
25 year 2002 and \$5,025,000 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely to increase salaries and related
27 benefits for part-time faculty. The board shall report by December 1
28 of each fiscal year to the office of financial management and
29 legislative fiscal and higher education committees on (a) the
30 distribution of state funds; (b) wage adjustments for part-time
31 faculty; and (c) progress to achieve the long-term performance targets
32 for each district, with respect to use of part-time faculty, pursuant
33 to the faculty mix study conducted under section 603, chapter 309, Laws
34 of 1999.

35 (3) \$1,155,000 of the general fund--state appropriation for fiscal
36 year 2002 and \$2,345,000 of the general fund--state appropriation for
37 fiscal year 2003 are provided solely for faculty salary increments and
38 associated benefits and may be used in combination with salary and

1 benefit savings from faculty turnover to provide faculty salary
2 increments and associated benefits. To the extent general salary
3 increase funding is used to pay faculty increments, the general salary
4 increase shall be reduced by the same amount.

5 (4) \$1,000,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$1,000,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided for a program to fund the start-up of new
8 community and technical college programs in rural counties as defined
9 under RCW 43.160.020(12) and in communities impacted by business
10 closures and job reductions. Successful proposals must respond to
11 local economic development strategies and must include a plan to
12 continue programs developed with this funding.

13 (5) \$326,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$640,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely for allocation to twelve college
16 districts identified in (a) through (l) of this subsection to prepare
17 students for transfer to the state technology institute at the Tacoma
18 branch campus of the University of Washington. The appropriations in
19 this section are intended to supplement, not supplant, general
20 enrollment allocations by the board to the districts under (a) through
21 (l) of this subsection:

- 22 (a) Bates Technical College;
- 23 (b) Bellevue Community College;
- 24 (c) Centralia Community College;
- 25 (d) Clover Park Community College;
- 26 (e) Grays Harbor Community College;
- 27 (f) Green River Community College;
- 28 (g) Highline Community College;
- 29 (h) Tacoma Community College;
- 30 (i) Olympic Community College;
- 31 (j) Pierce District;
- 32 (k) Seattle District; and
- 33 (l) South Puget Sound Community College.

34 (6) \$28,761,000 of the general fund--state appropriation for fiscal
35 year 2002 and (~~(\$28,761,000)~~) \$37,761,000 of the general fund--state
36 appropriation for fiscal year 2003 are provided solely as special funds
37 for training and related support services, including financial aid, as
38 specified in chapter 226, Laws of 1993 (employment and training for
39 unemployed workers).

1 (~~(a)~~) Funding is provided to support up to 7,200 full-time
2 equivalent students in (~~each~~) fiscal year 2002 and up to 8,700 full-
3 time equivalent students in fiscal year 2003.

4 (~~(b) In directing these resources during the 2001-03 biennium, the~~
5 ~~state board for community and technical colleges shall give~~
6 ~~considerable attention to the permanent dislocation of workers from~~
7 ~~industries facing rapidly rising energy costs, such as direct service~~
8 ~~industries.~~)

9 (7) \$1,000,000 of the general fund--state appropriation for fiscal
10 year 2002 and \$1,000,000 of the general fund--state appropriation for
11 fiscal year 2003 are provided solely for tuition support for students
12 enrolled in work-based learning programs.

13 (8) \$567,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$568,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely for administration and customized
16 training contracts through the job skills program.

17 (9) \$50,000 of the general fund--state appropriation for fiscal
18 year 2002 and \$50,000 of the general fund--state appropriation for
19 fiscal year 2003 are solely for higher education student child care
20 matching grants under chapter 28B.135 RCW.

21 (10) \$212,000 of the general fund--state appropriation for fiscal
22 year 2002 and \$212,000 of the general fund--state appropriation for
23 fiscal year 2003 are provided for allocation to Olympic college. The
24 college shall contract with accredited baccalaureate institution(s) to
25 bring a program of upper-division courses to Bremerton. Funds provided
26 are sufficient to support at least 30 additional annual full-time
27 equivalent students. The state board for community and technical
28 colleges shall report to the office of financial management and the
29 fiscal and higher education committees of the legislature on the
30 implementation of this subsection by December 1st of each fiscal year.

31 (11) The entire education savings account appropriation is provided
32 solely to support the development of a multicollege student-centered
33 online service center for distance learners, including self-service
34 internet applications and staff support 24 hours per day. Moneys may
35 be allocated by the office of financial management upon certification
36 that sufficient cash is available beyond the appropriations made for
37 the 2001-03 biennium for the purposes of common school construction.

1 **Sec. 604.** 2001 2nd sp.s. c 7 s 604 (uncodified) is amended to read
2 as follows:

3 **FOR UNIVERSITY OF WASHINGTON**

4	General Fund--State Appropriation (FY 2002) . . . \$	345,974,000
5	General Fund--State Appropriation (FY 2003) . . . \$	((361,114,000))
6		<u>338,914,000</u>
7	Death Investigations Account--State	
8	Appropriation \$	((259,000))
9		<u>256,000</u>
10	University of Washington Building Account--	
11	State Appropriation \$	1,103,000
12	Accident Account--State Appropriation \$	((5,891,000))
13		<u>5,872,000</u>
14	Medical Aid Account--State Appropriation \$	((5,945,000))
15		<u>5,929,000</u>
16	TOTAL APPROPRIATION \$	((720,286,000))
17		<u>698,048,000</u>

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

20 (1) The university may reallocate 10 percent of newly budgeted
21 enrollments to campuses other than as specified by the legislature in
22 section 602 of this act in order to focus on high demand areas. The
23 university shall report the details of these reallocations to the
24 office of financial management and the fiscal and higher education
25 committees of the legislature for monitoring purposes by the 10th day
26 of the academic quarter that follows the reallocation actions. The
27 report shall provide details of undergraduate and graduate enrollments
28 at the main campus and each of the branch campuses.

29 (2) \$2,000,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$2,000,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely to create a state resource for
32 technology education in the form of an institute located at the
33 University of Washington, Tacoma. It is the intent of the legislature
34 that at least ninety-nine of the full-time equivalent enrollments
35 allocated to the university's Tacoma branch campus for the 2002-03
36 academic year may be used to establish the technology institute. The
37 university will expand undergraduate and graduate degree programs
38 meeting regional technology needs including, but not limited to,

1 computing and software systems. As a condition of these
2 appropriations:

3 (a) The university will work with the state board for community and
4 technical colleges, or individual colleges where necessary, to
5 establish articulation agreements in addition to the existing associate
6 of arts and associate of science transfer degrees. Such agreements
7 shall improve the transferability of students and in particular,
8 students with substantial applied information technology credits.

9 (b) The university will establish performance measures for
10 recruiting, retaining and graduating students, including nontraditional
11 students, and report back to the governor and legislature by September
12 2002 as to its progress and future steps.

13 (3) \$150,000 of the general fund--state appropriation for fiscal
14 year 2002 and \$150,000 of the general fund--state appropriation for
15 fiscal year 2003 are provided solely for research faculty clusters in
16 the advanced technology initiative program.

17 (4) The department of environmental health shall report to the
18 legislature the historical, current, and anticipated use of funds
19 provided from the accident and medical aid accounts. The report shall
20 be submitted prior to the convening of the 2002 legislative session.

21 (5) \$259,000 of the death investigations account appropriation is
22 provided solely for the forensic pathologist fellowship program.

23 (6) \$150,000 of the general fund--state appropriation for fiscal
24 year 2002 and \$150,000 of the general fund--state appropriation for
25 fiscal year 2003 are provided solely for the implementation of the
26 Puget Sound work plan and agency action item UW-01.

27 (7) \$75,000 of the general fund--state appropriation for fiscal
28 year 2002 and \$75,000 of the general fund--state appropriation for
29 fiscal year 2003 are provided solely for the Olympic natural resource
30 center.

31 (8) \$50,000 of the general fund--state appropriations are provided
32 solely for the school of medicine to conduct a survey designed to
33 evaluate characteristics, factors and probable causes for the high
34 incidence of multiple sclerosis cases in Washington state.

35 (9) \$1,103,000 of the University of Washington building account--
36 state appropriation is provided solely for the repair and
37 reconstruction of the Urban Horticulture Center (Merrill Hall).

1 **Sec. 605.** 2001 2nd sp.s. c 7 s 605 (uncodified) is amended to read
2 as follows:

3 **FOR WASHINGTON STATE UNIVERSITY**

4	General Fund--State Appropriation (FY 2002) . . . \$	201,416,000
5	General Fund--State Appropriation (FY 2003) . . . \$	((209,939,000))
6		<u>196,948,000</u>
7	TOTAL APPROPRIATION \$	((411,355,000))
8		<u>398,364,000</u>

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

11 (1) The university may reallocate 10 percent of newly budgeted
12 enrollments to campuses other than specified by the legislature in
13 section 602 of this act in order to focus on high demand areas. The
14 university will report the details of these reallocations to the office
15 of financial management and the fiscal and higher education committees
16 of the legislature for monitoring purposes by the 10th day of the
17 academic quarter that follows the reallocation actions. The report
18 will provide details of undergraduate and graduate enrollments at the
19 main campus and each of the branch campuses.

20 (2) \$150,000 of the general fund--state appropriation for fiscal
21 year 2002 and \$150,000 of the general fund--state appropriation for
22 fiscal year 2003 are provided solely for research faculty clusters in
23 the advanced technology initiative program.

24 (3) \$165,000 of the general fund--state appropriation for fiscal
25 year 2002 and \$166,000 of the general fund--state appropriation for
26 fiscal year 2003 are provided solely for the implementation of the
27 Puget Sound work plan and agency action item WSU-01.

28 **Sec. 606.** 2001 2nd sp.s. c 7 s 606 (uncodified) is amended to read
29 as follows:

30 **FOR EASTERN WASHINGTON UNIVERSITY**

31	General Fund--State Appropriation (FY 2002) . . . \$	45,532,000
32	General Fund--State Appropriation (FY 2003) . . . \$	((47,382,000))
33		<u>44,398,000</u>
34	TOTAL APPROPRIATION \$	((92,914,000))
35		<u>89,930,000</u>

36 **Sec. 607.** 2001 2nd sp.s. c 7 s 607 (uncodified) is amended to read
37 as follows:

1 **FOR CENTRAL WASHINGTON UNIVERSITY**

2	General Fund--State Appropriation (FY 2002) . . . \$	44,164,000
3	General Fund--State Appropriation (FY 2003) . . . \$	((44,976,000))
4		<u>42,067,000</u>
5	TOTAL APPROPRIATION \$	((89,140,000))
6		<u>86,231,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations: \$700,000 of the general fund--state
9 appropriation for fiscal year 2002 is provided solely for the
10 development and implementation of the university's enrollment
11 stabilization recovery and growth plan. The university shall report
12 back to the fiscal committees of the legislature, the office of
13 financial management, and the higher education coordinating board at
14 the end of each fiscal year with details of its actions and progress.

15 **Sec. 608.** 2001 2nd sp.s. c 7 s 608 (uncodified) is amended to read
16 as follows:

17 **FOR THE EVERGREEN STATE COLLEGE**

18	General Fund--State Appropriation (FY 2002) . . . \$	25,334,000
19	General Fund--State Appropriation (FY 2003) . . . \$	((26,260,000))
20		<u>24,590,000</u>
21	TOTAL APPROPRIATION \$	((51,594,000))
22		<u>49,924,000</u>

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

25 (1) \$75,000 of the general fund--state appropriation for fiscal
26 year 2002 is provided solely for the institute for public policy to
27 complete studies of services described in section 202(1), chapter 1,
28 Laws of 2000 2nd sp. sess.

29 (2) \$11,000 of the general fund--state appropriation for fiscal
30 year 2002 and \$54,000 of the general fund--state appropriation for
31 fiscal year 2003 are provided solely for the institute for public
32 policy to conduct an outcome evaluation pursuant to Substitute Senate
33 Bill No. 5416 (drug-affected infants). The institute shall provide a
34 report to the fiscal, health, and human services committees of the
35 legislature by December 1, 2003. If the bill is not enacted by June
36 30, 2001, the amounts provided in this subsection shall be used to
37 evaluate outcomes across state health and social service pilot projects

1 and other national models involving women who have given birth to a
2 drug-affected infant, comparing gains in positive birth outcomes for
3 resources invested, in which case the institute's findings and
4 recommendations will be provided by November 15, 2002.

5 (3) \$11,000 of the general fund--state appropriation for fiscal
6 year 2002 and \$33,000 of the general fund--state appropriation for
7 fiscal year 2003 are provided solely for the institute for public
8 policy to evaluate partnership grant programs for alternative teacher
9 certification pursuant to Engrossed Second Substitute Senate Bill No.
10 5695. An interim report shall be provided to the fiscal and education
11 committees of the legislature by December 1, 2002, and a final report
12 by December 1, 2004.

13 (4) \$60,000 of the general fund--state appropriation for fiscal
14 year 2002 is provided solely for the institute for public policy to
15 examine options for revising the state's funding formula for the
16 learning assistance program to enhance accountability for school
17 performance in meeting education reform goals. The institute shall
18 submit its report to the appropriate legislative fiscal and policy
19 committees by June 30, 2002.

20 (5) \$50,000 of the general fund--state appropriation for fiscal
21 year 2002 is provided solely for the institute for public policy to
22 study the prevalence and needs of families who are raising related
23 children. The study shall compare services and policies of Washington
24 state with other states that have a high rate of kinship care
25 placements in lieu of foster care placements. The study shall identify
26 possible changes in services and policies that are likely to increase
27 appropriate kinship care placements. A report shall be provided to the
28 fiscal and human services committees of the legislature by June 1,
29 2002.

30 (6) \$35,000 of the general fund--state appropriation for fiscal
31 year 2002 and \$15,000 of the general fund--state appropriation for
32 fiscal year 2003 are provided solely for the institute for public
33 policy to examine various educational delivery models for providing
34 services and education for students through the Washington state school
35 for the deaf. The institute's report, in conjunction with the capacity
36 planning study from the joint legislative audit and review committee,
37 shall be submitted to the fiscal committees of the legislature by
38 September 30, 2002.

1 (7) \$30,000 of the general fund--state appropriation for fiscal
2 year 2002 is provided solely for the institute for public policy to
3 examine the structure, policies, and recent experience in states where
4 welfare recipients may attend college full-time as their required TANF
5 work activity. The institute will provide findings and recommend how
6 Washington could consider adding this feature in a targeted, cost-
7 neutral manner that would complement the present-day WorkFirst efforts
8 and caseload. The institute shall provide a report to the human
9 services, higher education, and fiscal committees of the legislature by
10 November 15, 2001.

11 (8) \$75,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$75,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for the institute for public
14 policy to research and evaluate strategies for constraining the growth
15 in state health expenditures. Specific research topics, approaches,
16 and timelines shall be identified in consultation with the fiscal
17 committees of the legislature.

18 (9) \$100,000 of the general fund--state appropriation for fiscal
19 year 2002 is provided solely for the institute for public policy to
20 conduct a comprehensive review of the costs and benefits of existing
21 juvenile crime prevention and intervention programs. This evaluation
22 shall also consider what changes could result in more cost-effective
23 and efficient funding for juvenile crime prevention and intervention
24 programs presently supported with state funds. The institute for
25 public policy shall report its findings and recommendations to the
26 appropriate legislative fiscal and policy committees by October 1,
27 2002.

28 **Sec. 609.** 2001 2nd sp.s. c 7 s 609 (uncodified) is amended to read
29 as follows:

30 **FOR WESTERN WASHINGTON UNIVERSITY**

31	General Fund--State Appropriation (FY 2002) . . . \$	59,755,000
32	General Fund--State Appropriation (FY 2003) . . . \$	((62,881,000))
33		<u>58,933,000</u>
34	TOTAL APPROPRIATION \$	((122,636,000))
35		<u>118,688,000</u>

36 The appropriations in this section are subject to the following
37 conditions and limitations: \$753,000 of the general fund--state
38 appropriation for fiscal year 2002 and \$1,032,000 of the general fund--

1 state appropriation for fiscal year 2003 are provided solely for the
2 operations of the North Snohomish, Island, Skagit (NSIS) higher
3 education consortium.

4 **Sec. 610.** 2001 2nd sp.s. c 7 s 610 (uncodified) is amended to read
5 as follows:

6 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
7 **ADMINISTRATION**

8	General Fund--State Appropriation (FY 2002) . . . \$	2,345,000
9	General Fund--State Appropriation (FY 2003) . . . \$	((2,408,000))
10		<u>2,372,000</u>
11	General Fund--Federal Appropriation \$	636,000
12	TOTAL APPROPRIATION \$	((5,389,000))
13		<u>5,353,000</u>

14 The appropriations in this section are provided to carry out the
15 policy coordination, planning, studies and administrative functions of
16 the board and are subject to the following conditions and limitations:

17 (1) \$150,000 of the general fund--state appropriation for fiscal
18 year 2002 and \$150,000 of the general fund--state appropriation for
19 fiscal year 2003 are provided solely to continue the teacher training
20 pilot program pursuant to chapter 177, Laws of 1999.

21 (2) \$105,000 of the general fund--state appropriation for fiscal
22 year 2002 and \$245,000 of the general fund--state appropriation for
23 fiscal year 2003 are provided solely to continue a demonstration
24 project to improve rural access to post-secondary education by bringing
25 distance learning technologies into Jefferson county.

26 **Sec. 611.** 2001 2nd sp.s. c 7 s 611 (uncodified) is amended to read
27 as follows:

28 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**
29 **PROGRAMS**

30	General Fund--State Appropriation (FY 2002) . . . \$	123,645,000
31	General Fund--State Appropriation (FY 2003) . . . \$	((136,205,000))
32		<u>139,293,000</u>
33	General Fund--Federal Appropriation \$	7,511,000
34	Advanced College Tuition Payment Program Account--	
35	State Appropriation \$	3,604,000
36	TOTAL APPROPRIATION \$	((270,965,000))
37		<u>274,053,000</u>

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

3 (1) \$534,000 of the general fund--state appropriation for fiscal
4 year 2002 and \$529,000 of the general fund--state appropriation for
5 fiscal year 2003 are provided solely for the displaced homemakers
6 program.

7 (2) \$234,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$240,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for the western interstate
10 commission for higher education.

11 (3) \$1,000,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$1,000,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for the health professional
14 conditional scholarship and loan program under chapter 28B.115 RCW.
15 This amount shall be deposited to the health professional loan
16 repayment and scholarship trust fund to carry out the purposes of the
17 program.

18 (4) \$1,000,000 of the general fund--state appropriations is
19 provided solely to continue a demonstration project that enables
20 classified public K-12 employees to become future teachers, subject to
21 the following conditions and limitations:

22 (a) Within available funds, the board may renew and offer
23 conditional scholarships of up to \$4,000 per year for full or part-time
24 studies that may be forgiven in exchange for teaching service in
25 Washington's public K-12 schools. In selecting loan recipients, the
26 board shall take into account the applicant's demonstrated academic
27 ability and commitment to serve as a teacher within the state of
28 Washington.

29 (b) Loans shall be forgiven at the rate of one year of loan for two
30 years of teaching service. Recipients who teach in geographic or
31 subject-matter shortage areas, as specified by the office of the
32 superintendent for public instruction, may have their loans forgiven at
33 the rate of one year of loan for one year of teaching service;

34 (c) Recipients who fail to fulfill the required teaching service
35 shall be required to repay the conditional loan with interest. The
36 board shall define the terms for repayment, including applicable
37 interest rates, fees and deferments, and may adopt other rules as
38 necessary to implement this demonstration project.

1 (d) The board may deposit this appropriation and all collections
2 into the student loan account authorized in RCW 28B.102.060.

3 (e) The board will provide the legislature and governor with
4 findings about the impact of this demonstration project on persons
5 entering the teaching profession in shortage areas by no later than
6 January of 2002.

7 (5) \$75,000 of the general fund--state appropriation for fiscal
8 year 2002 and \$75,000 of the general fund--state appropriation for
9 fiscal year 2003 are provided solely for higher education student child
10 care matching grants under chapter 28B.135 RCW.

11 (6) \$25,000 of the general fund--state appropriation for fiscal
12 year 2002 and \$25,000 of the general fund--state appropriation for
13 fiscal year 2003 are provided solely for the benefit of students who
14 participate in college assistance migrant programs (CAMP) operating in
15 Washington state. To ensure timely state aid, the board may establish
16 a date after which no additional grants would be available for the
17 2001-02 and 2002-03 academic years. The board shall disperse grants in
18 equal amounts to eligible post-secondary institutions so that state
19 money in all cases supplements federal CAMP awards.

20 (7) \$120,156,000 of the general fund--state appropriation for
21 fiscal year 2002 and (~~(\$133,965,000)~~) \$137,137,000 of the general
22 fund--state appropriation for fiscal year 2003 are provided solely for
23 student financial aid, including all administrative costs. Of these
24 amounts:

25 (a) \$90,566,000 of the general fund--state appropriation for fiscal
26 year 2002 and (~~(\$102,667,000)~~) \$105,839,000 of the general fund--state
27 appropriation for fiscal year 2003 are provided solely for the state
28 need grant program. After April 1 of each fiscal year, up to one
29 percent of the annual appropriation for the state need grant program
30 may be transferred to the state work study program;

31 (b) \$16,340,000 of the general fund--state appropriation for fiscal
32 year 2002 and \$17,360,000 of the general fund--state appropriation for
33 fiscal year 2003 are provided solely for the state work study program.
34 After April 1 of each fiscal year, up to one percent of the annual
35 appropriation for the state work study program may be transferred to
36 the state need grant program;

37 (c) \$2,920,000 of the general fund--state appropriation for fiscal
38 year 2002 and \$2,920,000 of the general fund--state appropriation for
39 fiscal year 2003 are provided solely for educational opportunity

1 grants. The board may deposit sufficient funds from its appropriation
2 into the state education trust fund as established in RCW 28B.10.821 to
3 provide a one-year renewal of the grant for each new recipient of the
4 educational opportunity grant award. For the purpose of establishing
5 eligibility for the equal opportunity grant program for placebound
6 students under RCW 28B.101.020, Thurston county lies within the branch
7 campus service area of the Tacoma branch campus of the University of
8 Washington;

9 (d) A maximum of 2.1 percent of the general fund--state
10 appropriation for fiscal year 2002 and 2.1 percent of the general
11 fund--state appropriation for fiscal year 2003 may be expended for
12 financial aid administration, excluding the 4 percent state work study
13 program administrative allowance provision;

14 (e) \$1,241,000 of the general fund--state appropriation for fiscal
15 year 2002 and \$1,428,000 of the general fund--state appropriation for
16 fiscal year 2003 are provided solely to implement the Washington
17 scholars program. Any Washington scholars program moneys not awarded
18 by April 1st of each year may be transferred by the board to the
19 Washington award for vocational excellence;

20 (f) \$588,000 of the general fund--state appropriation for fiscal
21 year 2002 and \$589,000 of the general fund--state appropriation for
22 fiscal year 2003 are provided solely to implement Washington award for
23 vocational excellence program. Any Washington award for vocational
24 program moneys not awarded by April 1st of each year may be transferred
25 by the board to the Washington scholars program;

26 (g) \$251,000 of the general fund--state appropriation for fiscal
27 year 2002 and \$251,000 of the general fund--state appropriation for
28 fiscal year 2003 are provided solely for community scholarship matching
29 grants of \$2,000 each. Of the amounts provided, no more than \$5,200
30 each year is for the administration of the community scholarship
31 matching grant program. To be eligible for the matching grant, a
32 nonprofit community organization organized under section 501(c)(3) of
33 the internal revenue code must demonstrate that it has raised \$2,000 in
34 new moneys for college scholarships after the effective date of this
35 act. An organization may receive more than one \$2,000 matching grant
36 and preference shall be given to organizations affiliated with the
37 citizens' scholarship foundation; and

38 (h) \$8,250,000 of the general fund--state appropriation for fiscal
39 year 2002 and \$8,750,000 of the general fund--state appropriation for

1 fiscal year 2003 are provided solely for the Washington promise
2 scholarship program subject to the following conditions and
3 limitations:

4 (i) Within available funds, the higher education coordinating board
5 shall award scholarships for use at accredited institutions of higher
6 education in the state of Washington to as many students as possible
7 from among those qualifying under (iv) of this subsection. Each
8 qualifying student will receive two consecutive annual installments,
9 the value of each not to exceed the full-time annual resident tuition
10 rates charged by community colleges.

11 (ii) Of the amounts provided, no more than \$260,000 each year is
12 for administration of the Washington promise scholarship program.

13 (iii) Other than funds provided for program administration, the
14 higher education coordinating board shall deposit all money received
15 for the program in the Washington promise scholarship account, a
16 nonappropriated fund in the custody of the state treasurer. The
17 account shall be self-sustaining and consist of funds appropriated by
18 the legislature for these scholarships, private contributions, and
19 receipts from refunds of tuition and fees.

20 (iv) Scholarships in the 2001-03 biennium shall be awarded to
21 students who graduate from high school or its equivalent whose family
22 income does not exceed one hundred thirty-five percent of the state's
23 median family income, adjusted for family size, if they meet any of the
24 following academic criteria:

25 (A) Students graduating from public and approved private high
26 schools under chapter 28A.195 RCW must be in the top fifteen percent of
27 their graduating class, or must equal or exceed a cumulative scholastic
28 assessment test score of 1200 on their first attempt;

29 (B) Students participating in home-based instruction as provided in
30 chapter 28A.200 RCW must equal or exceed a cumulative scholastic
31 assessment test score of 1200 on their first attempt.

32 (v) For students eligible under (iv) of this subsection, the
33 superintendent of public instruction shall provide the higher education
34 coordinating board with the names, addresses, and unique numeric
35 identifiers of students in the top fifteen percent or who meet the
36 scholastic aptitude test score requirement, as appropriate in each of
37 the respective high school senior or home based instruction classes in
38 Washington state. This shall be provided no later than October 1 of
39 each year.

1 (vi) Scholarships awarded under this section may only be used at
2 accredited institutions of higher education in the state of Washington
3 for college-related expenses, including but not limited to, tuition,
4 room and board, books, materials, and transportation. The Washington
5 promise scholarship award shall not supplant other scholarship awards,
6 financial aid, or tax programs related to postsecondary education.
7 Scholarships may not be transferred or refunded to students.

8 (vii) The higher education coordinating board shall evaluate the
9 impact and effectiveness of the Washington promise scholarship program.
10 The evaluation shall include, but not be limited to: (A) An analysis
11 of other financial assistance promise scholarship recipients are
12 receiving through other federal, state, and institutional programs,
13 including grants, work study, tuition waivers, tax credits, and loan
14 programs; (B) an analysis of whether the implementation of the promise
15 scholarship program has had an impact on student indebtedness; and (C)
16 an evaluation of what types of students are successfully completing
17 high school but do not have the financial ability to attend college
18 because they cannot obtain financial aid or the financial aid is
19 insufficient. The board shall report its findings to the governor and
20 the legislature by December 1, 2002.

21 (viii) The higher education coordinating board may adopt rules as
22 necessary to implement this program.

23 **Sec. 612.** 2001 2nd sp.s. c 7 s 612 (uncodified) is amended to read
24 as follows:

25 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

26 General Fund--State Appropriation (FY 2002) . . . \$	1,762,000
27 General Fund--State Appropriation (FY 2003) . . . \$	((1,720,000))
28	<u>1,645,000</u>
29 General Fund--Federal Appropriation \$	44,987,000
30 TOTAL APPROPRIATION \$	((48,469,000))
31	<u>48,394,000</u>

32 The appropriations in this section are subject to the following
33 conditions and limitations: \$500,000 of the general fund--state
34 appropriation for fiscal year 2002 and \$500,000 of the general fund--
35 state appropriation for fiscal year 2003 are provided solely for the
36 operations and development of the inland northwest technology education
37 center (INTEC) as a regional resource and model for the rapid
38 deployment of skilled workers trained in the latest technologies for

1 Washington. The board shall serve as an advisor to and fiscal agent
2 for INTEC, and will report back to the governor and legislature by
3 September 2002 as to the progress and future steps for INTEC as this
4 new public-private partnership evolves.

5 **Sec. 613.** 2001 2nd sp.s. c 7 s 614 (uncodified) is amended to read
6 as follows:

7 **FOR WASHINGTON STATE LIBRARY**

8	General Fund--State Appropriation (FY 2002)	\$	8,791,000
9	General Fund--State Appropriation (FY 2003)	\$	((8,786,000))
10			<u>3,209,000</u>
11	General Fund--Federal Appropriation	\$	6,976,000
12	TOTAL APPROPRIATION	\$	((24,553,000))
13			<u>18,976,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations: At least \$2,700,000 shall be expended for
16 a contract with the Seattle public library for library services for the
17 Washington book and braille library.

18 **Sec. 614.** 2001 2nd sp.s. c 7 s 615 (uncodified) is amended to read
19 as follows:

20 **FOR THE WASHINGTON STATE ARTS COMMISSION**

21	General Fund--State Appropriation (FY 2002)	\$	2,873,000
22	General Fund--State Appropriation (FY 2003)	\$	((2,874,000))
23			<u>2,587,000</u>
24	General Fund--Federal Appropriation	\$	1,000,000
25	TOTAL APPROPRIATION	\$	((6,747,000))
26			<u>6,460,000</u>

27 **Sec. 615.** 2001 2nd sp.s. c 7 s 616 (uncodified) is amended to read
28 as follows:

29 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

30	General Fund--State Appropriation (FY 2002)	\$	2,899,000
31	General Fund--State Appropriation (FY 2003)	\$	((3,129,000))
32			<u>2,816,000</u>
33	TOTAL APPROPRIATION	\$	((6,028,000))
34			<u>5,715,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$90,000 of the general fund--state
3 appropriation for fiscal year 2002 and \$285,000 of the general fund--
4 state appropriation for fiscal year 2003 are provided solely for
5 activities related to the Lewis and Clark Bicentennial.

6 **Sec. 616.** 2001 2nd sp.s. c 7 s 617 (uncodified) is amended to read
7 as follows:

8 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

9	General Fund--State Appropriation (FY 2002)	\$	1,674,000
10	General Fund--State Appropriation (FY 2003)	\$	((1,535,000))
11			<u>1,381,000</u>
12	TOTAL APPROPRIATION	\$	((3,209,000))
13			<u>3,055,000</u>

14 **Sec. 617.** 2001 2nd sp.s. c 7 s 618 (uncodified) is amended to read
15 as follows:

16 **FOR THE STATE SCHOOL FOR THE BLIND**

17	General Fund--State Appropriation (FY 2002)	\$	4,520,000
18	General Fund--State Appropriation (FY 2003)	\$	((4,591,000))
19			<u>4,661,000</u>
20	General Fund--Private/Local Appropriation	\$	((1,173,000))
21			<u>1,254,000</u>
22	TOTAL APPROPRIATION	\$	((10,284,000))
23			<u>10,435,000</u>

24 **Sec. 618.** 2001 2nd sp.s. c 7 s 619 (uncodified) is amended to read
25 as follows:

26 **FOR THE STATE SCHOOL FOR THE DEAF**

27	General Fund--State Appropriation (FY 2002)	\$	7,395,000
28	General Fund--State Appropriation (FY 2003)	\$	((7,439,000))
29			<u>7,761,000</u>
30	General Fund--Private/Local Appropriation	\$	232,000

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 2001 2nd sp.s. c 7 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund--State Appropriation (FY 2002)	\$ 629,097,000
General Fund--State Appropriation (FY 2003)	\$ ((567,290,000))
	<u>565,290,000</u>
State Building Construction Account--State Appropriation	\$ ((11,351,000))
	<u>7,999,000</u>
Debt-Limit Reimbursable Bond Retire Account-- State Appropriation	\$ 2,591,000
<u>State Taxable Building Construction Account-- State Appropriation</u>	<u>\$ 496,000</u>
TOTAL APPROPRIATION	\$ ((1,210,329,000))
	<u>1,205,473,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2002 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2002.

Sec. 702. 2001 2nd sp.s. c 7 s 702 (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 BY ENTERPRISE ACTIVITIES

State Convention and Trade Center Account-- State Appropriation	\$ ((39,950,000))
	<u>29,249,000</u>
Accident Account--State Appropriation	\$ ((5,590,000))
	<u>5,096,000</u>
Medical Aid Account--State Appropriation	\$ ((5,590,000))
	<u>5,096,000</u>

1	TOTAL APPROPRIATION	\$	((51,130,000))
2			<u>39,441,000</u>
3	Sec. 703. 2001 2nd sp.s. c 7 s 703 (uncodified) is amended to read		
4	as follows:		
5	FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND		
6	REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE		
7	REIMBURSED AS PRESCRIBED BY STATUTE		
8	General Fund--State Appropriation (FY 2002) . . .	\$	24,542,000
9	General Fund--State Appropriation (FY 2003) . . .	\$	26,706,000
10	Capitol Historic District Construction		
11	Account--State Appropriation	\$	454,000
12	Higher Education Construction Account--State		
13	Appropriation	\$	((815,000))
14			<u>499,000</u>
15	State Higher Education Construction Account--		
16	State Appropriation	\$	((348,000))
17			<u>50,000</u>
18	State Vehicle Parking Account--State		
19	Appropriation	\$	((35,000))
20			<u>100,000</u>
21	<u>Education Construction Account--State</u>		
22	<u>Appropriation</u>	\$	<u>19,500,000</u>
23	Nondebt-Limit Reimbursable Bond Retirement Account--		
24	State Appropriation	\$	128,043,000
25	TOTAL APPROPRIATION	\$	((180,943,000))
26			<u>199,894,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations: The general fund appropriation is for
29 deposit into the nondebt-limit general fund bond retirement account.

30 **Sec. 704.** 2001 2nd sp.s. c 7 s 704 (uncodified) is amended to read
31 as follows:

32 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND**
33 **REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

34	General Fund--State Appropriation (FY 2002) . . .	\$	567,000
35	General Fund--State Appropriation (FY 2003) . . .	\$	568,000
36	Higher Education Construction Account--State		
37	Appropriation	\$	77,000

1	State Higher Education Construction Account--	
2	State Appropriation	\$ 42,000
3	State Building Construction Account--State	
4	Appropriation	\$ 1,488,000
5	State Vehicle Parking Account--State	
6	Appropriation	\$ ((5,000))
7		<u>10,000</u>
8	<u>Education Construction Account--State</u>	
9	<u>Appropriation</u>	<u>\$ 325,000</u>
10	Capitol Historic District Construction	
11	Account--State Appropriation	\$ 130,000
12	<u>State Taxable Building Construction Account--</u>	
13	<u>State Appropriation</u>	<u>\$ 50,000</u>
14	TOTAL APPROPRIATION	\$ ((2,877,000))
15		<u>3,257,000</u>

16 **Sec. 705.** 2001 2nd sp.s. c 7 s 706 (uncodified) is amended to read
17 as follows:

18 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL.** The
19 sum of ((three million dollars)) \$22,258,000, or so much thereof as may
20 be available on June 30, 2001, from the total amount of unspent fiscal
21 year 2001 fire contingency funding in the disaster response account and
22 the moneys appropriated to the disaster response account in section 707
23 of this act, is appropriated for the purpose of making allocations to
24 the military department for fire mobilizations costs or to the
25 department of natural resources for fire suppression costs.

26 **Sec. 706.** 2001 2nd sp.s. c 7 s 716 (uncodified) is amended to read
27 as follows:

28 **FOR THE GOVERNOR--COMPENSATION--INSURANCE BENEFITS**

29	General Fund--State Appropriation (FY 2002) . . .	\$ 7,218,000
30	General Fund--State Appropriation (FY 2003) . . .	\$ ((19,947,000))
31		<u>8,849,000</u>
32	General Fund--Federal Appropriation	\$ ((8,692,000))
33		<u>5,849,000</u>
34	General Fund--Private/Local Appropriation	\$ ((456,000))
35		<u>188,000</u>
36	Salary and Insurance Increase Revolving Account	
37	Appropriation	\$ ((19,468,000))

1		<u>11,920,000</u>
2	TOTAL APPROPRIATION \$	((55,781,000))
3		<u>34,024,000</u>

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

6 (1)(a) The monthly employer funding rate for insurance benefit
7 premiums, public employees' benefits board administration, and the
8 uniform medical plan, shall not exceed \$457.29 per eligible employee
9 for fiscal year 2002, and ((~~\$497.69~~)) \$467.04 for fiscal year 2003.

10 (b) Within the rates in (a) of this subsection, \$2.02 per eligible
11 employee shall be included in the employer funding rate for fiscal year
12 2002, and \$4.10 per eligible employee shall be included in the employer
13 funding rate for fiscal year 2003, solely to increase life insurance
14 coverage in accordance with a court approved settlement in *Burbage et*
15 *al. v. State of Washington* (Thurston county superior court cause no.
16 94-2-02560-8).

17 (c) In order to achieve the level of funding provided for health
18 benefits, the public employees' benefits board shall require any or all
19 of the following: Employee premium copayments, increases in point-of-
20 service cost sharing, the implementation of managed competition, or
21 make other changes to benefits consistent with RCW 41.05.065.

22 (d) The health care authority shall deposit any moneys received on
23 behalf of the uniform medical plan as a result of rebates on
24 prescription drugs, audits of hospitals, subrogation payments, or any
25 other moneys recovered as a result of prior uniform medical plan claims
26 payments, into the public employees' and retirees' insurance account to
27 be used for insurance benefits. Such receipts shall not be used for
28 administrative expenditures.

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, 2002, through

1 December 31, 2002, the subsidy shall be \$85.84. Starting January 1,
2 2003, the subsidy shall be \$102.55 per month.

3 (4) Technical colleges, school districts, and educational service
4 districts shall remit to the health care authority for deposit into the
5 public employees' and retirees' insurance account established in RCW
6 41.05.120 the following amounts:

7 (a) For each full-time employee, \$32.41 per month beginning
8 September 1, 2001, and (~~(\$37.48)~~) \$37.07 beginning September 1, 2002;

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, \$32.41 each month beginning September 1, 2001, and
13 (~~(\$37.48)~~) \$37.07 beginning September 1, 2002, prorated by the
14 proportion of employer fringe benefit contributions for a full-time
15 employee that the part-time employee receives.

16 The remittance requirements specified in this subsection shall not
17 apply to employees of a technical college, school district, or
18 educational service district who purchase insurance benefits through
19 contracts with the health care authority.

20 (5) The salary and insurance increase revolving account
21 appropriation includes amounts sufficient to fund health benefits for
22 ferry workers at the premium levels specified in subsection (1) of this
23 section, consistent with the 2001-2003 transportation appropriations
24 act.

25 NEW SECTION. **Sec. 707.** A new section is added to 2001 2nd sp.s.
26 c 7 (uncodified) to read as follows:

27 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--PENSION SAVINGS.** The
28 office of financial management shall reduce the appropriations for
29 agencies of the state by \$9,656,000 from the general fund--state fiscal
30 year 2003 appropriations, \$2,525,000 from the general fund--federal
31 2001-03 appropriations, \$235,000 from the general fund--private/local
32 2001-03 appropriations, and \$6,837,000 from other funds 2001-03
33 appropriations, to reflect savings from pension rate reductions adopted
34 by the 2002 legislature. Reductions shall be made according to the
35 office of financial management document entitled "Pension Rate
36 Reduction Savings," dated December 17, 2001, at 5:00 p.m.

1 **Sec. 708.** 2001 2nd sp.s. c 7 s 719 (uncodified) is amended to read
2 as follows:

3 **SALARY COST OF LIVING ADJUSTMENT**

4	General Fund--State Appropriation (FY 2002)	\$	41,712,000
5	General Fund--State Appropriation (FY 2003)	\$	((73,358,000))
6			<u>67,917,000</u>
7	General Fund--Federal Appropriation	\$	((37,955,000))
8			<u>36,511,000</u>
9	General Fund--Private/Local Appropriation	\$	((2,325,000))
10			<u>2,198,000</u>
11	Salary and Insurance Increase Revolving Account		
12	Appropriation	\$	((92,156,000))
13			<u>87,934,000</u>
14	TOTAL APPROPRIATION	\$	((247,506,000))
15			<u>236,272,000</u>

16 The appropriations in this section shall be expended solely for the
17 purposes designated in this section and are subject to the following
18 conditions and limitations:

19 (1) In addition to the purposes set forth in subsections (2) and
20 (3) of this section, appropriations in this section are provided solely
21 for a 3.7 percent salary increase effective July 1, 2001, for all
22 classified employees, except the certificated employees of the state
23 schools for the deaf and blind, and including those employees in the
24 Washington management service, and exempt employees under the
25 jurisdiction of the personnel resources board. Funds are also provided
26 for salary increases of 2.6 percent for classified employees on
27 ~~((July)) September 1, 2002~~~~((, in a percentage amount to be determined~~
28 ~~by the 2002 legislature))~~.

29 (2) The appropriations in this section are sufficient to fund a 3.7
30 percent salary increase effective July 1, 2001, for general government,
31 legislative, and judicial employees exempt from merit system rules
32 whose maximum salaries are not set by the commission on salaries for
33 elected officials. Funds are also provided for salary increases of 2.6
34 percent for these employees on ~~((July)) September 1, 2002~~~~((, in a~~
35 ~~percentage amount to be determined by the 2002 legislature))~~.

36 (3) The salary and insurance increase revolving account
37 appropriation in this section includes funds sufficient to fund a 3.7
38 percent salary increase effective July 1, 2001, for ferry workers
39 consistent with the 2001-03 transportation appropriations act. Funds

1 are also provided for salary increases of 2.6 percent for ferry workers
2 on ~~((July))~~ September 1, 2002~~((, in a percentage amount to be~~
3 ~~determined by the 2002 legislature))~~.

4 (4)(a) No salary increase may be paid under this section to any
5 person whose salary has been Y-rated pursuant to rules adopted by the
6 personnel resources board.

7 (b) The average salary increases paid under this section to agency
8 officials whose maximum salaries are established by the committee on
9 agency official salaries shall not exceed the average increases
10 provided by subsection (2) of this section.

11 **Sec. 709.** 2001 2nd sp.s. c 7 s 722 (uncodified) is amended to read
12 as follows:

13 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMPENSATION ACTIONS OF**
14 **PERSONNEL RESOURCES BOARD**

15	General Fund--State Appropriation (FY 2002) . . . \$	((9,179,000))
16		<u>9,183,000</u>
17	General Fund--State Appropriation (FY 2003) . . . \$	((18,359,000))
18		<u>18,369,000</u>
19	General Fund--Federal Appropriation \$	10,392,000
20	Salary and Insurance Increase Revolving Account	
21	Appropriation \$	((2,735,000))
22		<u>2,809,000</u>
23	TOTAL APPROPRIATION \$	((40,665,000))
24		<u>40,753,000</u>

25 The appropriations in this section shall be expended solely for the
26 purposes designated in this section and are subject to the following
27 conditions and limitations: Funding is provided to implement the
28 salary increase recommendations of the Washington personnel resources
29 board for the priority classes identified through item 8B pursuant to
30 RCW 41.06.152. The salary increases shall be effective January 1,
31 2002.

32 **Sec. 710.** 2001 2nd sp.s. c 7 s 727 (uncodified) is amended to read
33 as follows:

34 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--**
35 **COUNTY CORPORATION ASSISTANCE**

36	General Fund--State Appropriation (FY 2002) . . . \$	24,410,534
37	((General Fund--State Appropriation (FY 2003) . . . \$	25,137,970

TOTAL APPROPRIATION \$ 49,548,504))

The appropriation((s)) in this section ((are)) is subject to the following conditions and limitations:

(1)(a) The department shall withhold distributions under subsection (2) of this section to any county that has not paid its fifty percent share of the employer contribution on behalf of superior court judges for insurance and health care plans and federal social security and medicare and medical aid benefits for the fiscal year. As required by Article IV, section 13 of the state Constitution and 1996 Attorney General’s Opinion No. 2, it is the intent of the legislature that the costs of these employer contributions shall be shared equally between the state and county or counties in which the judges serve.

(b) After receiving written notification from the office of the administrator for the courts that a county has paid its fifty percent share as required under (a) of this subsection, the department shall distribute the amount designated for the fiscal year under subsection (2) of this section.

(2) The director of community, trade, and economic development shall distribute the appropriations to the following counties in the amounts designated:

		((2001-03))
County	FY 2002	((FY 2003 ————— Biennium))
Adams	290,303	((295,993 ————— 586,296))
Asotin	422,074	((434,598 ————— 856,672))
Benton	966,480	((999,163 ————— 1,965,643))
Chelan	637,688	((651,982 ————— 1,289,670))
Clallam	444,419	((454,391 ————— 898,810))
Clark	641,571	((678,997 ————— 1,320,568))
Columbia	561,888	((572,901 ————— 1,134,789))
Cowlitz	771,879	((795,808 ————— 1,567,687))
Douglas	505,585	((528,184 ————— 1,033,769))
Ferry	389,909	((397,551 ————— 787,460))
Franklin	442,624	((464,018 ————— 906,642))
Garfield	571,303	((582,501 ————— 1,153,804))
Grant	579,631	((604,072 ————— 1,183,703))
Grays Harbor	540,315	((550,905 ————— 1,091,220))
Island	483,589	((503,205 ————— 986,794))
Jefferson	239,914	((249,924 ————— 489,838))
King	2,661,862	((2,720,716 ————— 5,382,578))
Kitsap	469,992	((480,178 ————— 950,170))
Kittitas	366,971	((383,027 ————— 749,998))
Klickitat	204,726	((217,555 ————— 422,281))

1	Lewis	583,702	((598,004	1,181,706))
2	Lincoln	290,754	((302,151	592,905))
3	Mason	905,060	((930,959	1,836,019))
4	Okanogan	548,848	((560,332	1,109,180))
5	Pacific	344,047	((350,790	694,837))
6	Pend Oreille	280,342	((285,837	566,179))
7	Pierce	1,246,530	((1,284,087	2,530,617))
8	San Juan	85,712	((91,859	177,571))
9	Skagit	911,491	((944,914	1,856,405))
10	Skamania	172,840	((176,228	349,068))
11	Snohomish	1,017,209	((1,058,571	2,075,780))
12	Spokane	804,124	((823,359	1,627,483))
13	Stevens	811,482	((835,598	1,647,080))
14	Thurston	1,031,888	((1,061,579	2,093,467))
15	Wahkiakum	507,528	((517,476	1,025,004))
16	Walla Walla	241,341	((247,105	488,446))
17	Whatcom	408,025	((429,069	837,094))
18	Whitman	134,870	((138,191	273,061))
19	Yakima	1,892,018	((1,936,192	3,828,210))
20	TOTAL APPROPRIATIONS	24,410,534	((25,137,970	49,548,504))

21 **Sec. 711.** 2001 2nd sp.s. c 7 s 728 (uncodified) is amended to read
22 as follows:

23 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--**
24 **MUNICIPAL CORPORATION ASSISTANCE**

25	General Fund--State Appropriation (FY 2002) . . . \$	45,884,610
26	(General Fund--State Appropriation (FY 2003) . . . \$	47,251,839
27	TOTAL APPROPRIATION \$	93,136,449)

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

30 (1) The director of community, trade, and economic development
31 shall distribute the appropriation to the following cities and
32 municipalities in the amounts designated:

33			((2001-03))
34	City	FY 2002	((FY 2003 Biennium))
35	Aberdeen	119,986	((123,562 243,548))
36	Airway Heights	111,259	((114,575 225,834))
37	Albion	66,339	((68,316 134,655))
38	Algona	32,672	((33,646 66,318))
39	Almira	12,519	((12,892 25,411))
40	Anacortes	70,930	((73,044 143,974))
41	Arlington	42,344	((43,606 85,950))

1	Asotin	57,623	((59,340	116,963))
2	Auburn	192,405	((198,139	390,544))
3	Bainbridge Island	293,851	((302,608	596,459))
4	Battle Ground	118,303	((121,828	240,131))
5	Beaux Arts	1,784	((1,837	3,621))
6	Bellevue	524,203	((539,824	1,064,027))
7	Bellingham	369,121	((380,121	749,242))
8	Benton City	111,380	((114,699	226,079))
9	Bingen	6,602	((6,799	13,401))
10	Black Diamond	254,698	((262,288	516,986))
11	Blaine	20,853	((21,474	42,327))
12	Bonney Lake	158,738	((163,468	322,206))
13	Bothell	137,270	((141,361	278,631))
14	Bremerton	214,020	((220,398	434,418))
15	Brewster	11,250	((11,585	22,835))
16	Bridgeport	188,216	((193,825	382,041))
17	Brier	532,011	((547,865	1,079,876))
18	Buckley	68,227	((70,260	138,487))
19	Bucoda	52,876	((54,452	107,328))
20	Burien	284,265	((292,736	577,001))
21	Burlington	27,407	((28,224	55,631))
22	Camas	53,654	((55,253	108,907))
23	Carbonado	56,785	((58,477	115,262))
24	Carnation	9,593	((9,879	19,472))
25	Cashmere	120,801	((124,401	245,202))
26	Castle Rock	29,980	((30,873	60,853))
27	Cathlamet	6,265	((6,452	12,717))
28	Centralia	101,426	((104,448	205,874))
29	Chehalis	34,601	((35,632	70,233))
30	Chelan	19,515	((20,097	39,612))
31	Cheney	314,316	((323,683	637,999))
32	Chewelah	66,731	((68,720	135,451))
33	Clarkston	83,910	((86,411	170,321))
34	Cle Elum	8,692	((8,951	17,643))
35	Clyde Hill	136,778	((140,854	277,632))
36	Colfax	74,672	((76,897	151,569))
37	College Place	526,480	((542,169	1,068,649))
38	Colton	27,473	((28,292	55,765))
39	Colville	23,389	((24,086	47,475))
40	Conconully	13,675	((14,083	27,758))
41	Concrete	27,006	((27,811	54,817))
42	Connell	164,950	((169,866	334,816))
43	Cosmopolis	15,395	((15,854	31,249))
44	Coulee City	2,804	((2,888	5,692))
45	Coulee Dam	61,408	((63,238	124,646))
46	Coupeville	7,708	((7,938	15,646))
47	Covington	690,851	((711,438	1,402,289))

1	Creston	12,905	((13,290 ————— 26,195))
2	Cusick	9,341	((9,619 ————— 18,960))
3	Darrington	59,838	((61,621 ————— 121,459))
4	Davenport	66,350	((68,327 ————— 134,677))
5	Dayton	92,685	((95,447 ————— 188,132))
6	Deer Park	16,059	((16,538 ————— 32,597))
7	Des Moines	1,482,120	((1,526,287 ————— 3,008,407))
8	Dupont	8,109	((8,351 ————— 16,460))
9	Duvall	66,128	((68,099 ————— 134,227))
10	East Wenatchee	30,678	((31,592 ————— 62,270))
11	Eatonville	8,848	((9,112 ————— 17,960))
12	Edgewood	901,766	((928,639 ————— 1,830,405))
13	Edmonds	456,336	((469,935 ————— 926,271))
14	Electric City	87,243	((89,843 ————— 177,086))
15	Ellensburg	81,982	((84,425 ————— 166,407))
16	Elma	84,676	((87,199 ————— 171,875))
17	Elmer City	29,811	((30,699 ————— 60,510))
18	Endicott	28,758	((29,615 ————— 58,373))
19	Entiat	58,244	((59,980 ————— 118,224))
20	Enumclaw	53,013	((54,593 ————— 107,606))
21	Ephrata	59,987	((61,775 ————— 121,762))
22	Everett	495,428	((510,192 ————— 1,005,620))
23	Everson	67,517	((69,529 ————— 137,046))
24	Fairfield	18,540	((19,092 ————— 37,632))
25	Farmington	12,072	((12,432 ————— 24,504))
26	Federal Way	470,179	((484,190 ————— 954,369))
27	Ferndale	74,669	((76,894 ————— 151,563))
28	Fife	25,411	((26,168 ————— 51,579))
29	Fircrest	386,146	((397,653 ————— 783,799))
30	Forks	110,712	((114,011 ————— 224,723))
31	Friday Harbor	9,791	((10,083 ————— 19,874))
32	Garfield	45,263	((46,612 ————— 91,875))
33	George	19,319	((19,895 ————— 39,214))
34	Gig Harbor	31,615	((32,557 ————— 64,172))
35	Gold Bar	134,531	((138,540 ————— 273,071))
36	Goldendale	49,519	((50,995 ————— 100,514))
37	Grand Coulee	5,805	((5,978 ————— 11,783))
38	Grandview	256,347	((263,986 ————— 520,333))
39	Granger	173,094	((178,252 ————— 351,346))
40	Granite Falls	10,946	((11,272 ————— 22,218))
41	Hamilton	17,437	((17,957 ————— 35,394))
42	Harrah	46,947	((48,346 ————— 95,293))
43	Harrington	18,107	((18,647 ————— 36,754))
44	Hartline	11,392	((11,731 ————— 23,123))
45	Hatton	12,176	((12,539 ————— 24,715))
46	Hoquiam	374,903	((386,075 ————— 760,978))
47	Hunts Point	2,432	((2,504 ————— 4,936))

1	Ilwaco	13,150	((13,542	26,692))
2	Index	4,181	((4,306	8,487))
3	Ione	17,566	((18,089	35,655))
4	Issaquah	50,002	((51,492	101,494))
5	Kahlotus	20,210	((20,812	41,022))
6	Kalama	7,892	((8,127	16,019))
7	Kelso	68,904	((70,957	139,861))
8	Kenmore	1,099,395	((1,132,157	2,231,552))
9	Kennewick	293,534	((302,281	595,815))
10	Kent	360,624	((371,371	731,995))
11	Kettle Falls	64,422	((66,342	130,764))
12	Kirkland	221,429	((228,028	449,457))
13	Kittitas	72,698	((74,864	147,562))
14	Krupp	4,445	((4,577	9,022))
15	La Center	34,415	((35,441	69,856))
16	La Conner	3,817	((3,931	7,748))
17	La Crosse	20,141	((20,741	40,882))
18	Lacey	143,243	((147,512	290,755))
19	Lake Forest Park	897,932	((924,690	1,822,622))
20	Lake Stevens	142,295	((146,535	288,830))
21	Lakewood	2,955,109	((3,043,171	5,998,280))
22	Lamont	7,492	((7,715	15,207))
23	Langley	5,303	((5,461	10,764))
24	Latah	11,962	((12,318	24,280))
25	Leavenworth	12,189	((12,552	24,741))
26	Lind	2,217	((2,283	4,500))
27	Long Beach	10,269	((10,575	20,844))
28	Longview	249,836	((257,281	507,117))
29	Lyman	16,741	((17,240	33,981))
30	Lynden	42,717	((43,990	86,707))
31	Lynnwood	163,579	((168,454	332,033))
32	Mabton	142,491	((146,737	289,228))
33	Malden	21,588	((22,231	43,819))
34	Mansfield	26,744	((27,541	54,285))
35	Maple Valley	359,478	((370,190	729,668))
36	Marcus	14,126	((14,547	28,673))
37	Marysville	102,028	((105,068	207,096))
38	Mattawa	100,064	((103,046	203,110))
39	McCleary	105,807	((108,960	214,767))
40	Medical Lake	114,323	((117,730	232,053))
41	Medina	14,355	((14,783	29,138))
42	Mercer Island	383,527	((394,956	778,483))
43	Mesa	16,835	((17,337	34,172))
44	Metaline	14,150	((14,572	28,722))
45	Metaline Falls	7,718	((7,948	15,666))
46	Mill Creek	174,495	((179,695	354,190))
47	Millwood	22,619	((23,293	45,912))

1	Milton	28,030	((28,865	56,895))
2	Monroe	56,517	((58,201	114,718))
3	Montesano	60,229	((62,024	122,253))
4	Morton	5,891	((6,067	11,958))
5	Moses Lake	105,670	((108,819	214,489))
6	Mossyrock	16,545	((17,038	33,583))
7	Mount Vernon	130,780	((134,677	265,457))
8	Mountlake Terrace	711,188	((732,381	1,443,569))
9	Moxee	40,448	((41,653	82,101))
10	Mukilteo	274,482	((282,662	557,144))
11	Naches	7,632	((7,859	15,491))
12	Napavine	96,030	((98,892	194,922))
13	Nespelem	17,614	((18,139	35,753))
14	Newcastle	290,801	((299,467	590,268))
15	Newport	13,223	((13,617	26,840))
16	Nooksack	58,178	((59,912	118,090))
17	Normandy Park	489,113	((503,689	992,802))
18	North Bend	20,754	((21,372	42,126))
19	North Bonneville	30,574	((31,485	62,059))
20	Northport	23,489	((24,189	47,678))
21	Oak Harbor	278,157	((286,446	564,603))
22	Oakesdale	31,060	((31,986	63,046))
23	Oakville	43,411	((44,705	88,116))
24	Ocean Shores	64,837	((66,769	131,606))
25	Odessa	4,721	((4,862	9,583))
26	Okanogan	12,323	((12,690	25,013))
27	Olympia	198,476	((204,391	402,867))
28	Omak	26,117	((26,895	53,012))
29	Oroville	12,506	((12,879	25,385))
30	Orting	191,211	((196,909	388,120))
31	Othello	26,808	((27,607	54,415))
32	Pacific	69,124	((71,184	140,308))
33	Palouse	55,067	((56,708	111,775))
34	Pasco	131,298	((135,211	266,509))
35	Pateros	28,021	((28,856	56,877))
36	Pe Ell	54,800	((56,433	111,233))
37	Pomeroy	52,485	((54,049	106,534))
38	Port Angeles	124,595	((128,308	252,903))
39	Port Orchard	41,797	((43,043	84,840))
40	Port Townsend	47,126	((48,530	95,656))
41	Poulsbo	31,812	((32,760	64,572))
42	Prescott	12,349	((12,717	25,066))
43	Prosser	24,137	((24,856	48,993))
44	Pullman	584,659	((602,082	1,186,741))
45	Puyallup	151,732	((156,254	307,986))
46	Quincy	20,244	((20,847	41,091))
47	Rainier	111,521	((114,844	226,365))

1	Raymond	85,311	((87,853 173,164))
2	Reardan	38,184	((39,322 77,506))
3	Redmond	215,259	((221,674 436,933))
4	Renton	235,053	((242,058 477,111))
5	Republic	25,085	((25,833 50,918))
6	Richland	441,733	((454,897 896,630))
7	Ridgefield	55,637	((57,295 112,932))
8	Ritzville	8,498	((8,751 17,249))
9	Riverside	27,204	((28,015 55,219))
10	Rock Island	36,527	((37,616 74,143))
11	Rockford	18,965	((19,530 38,495))
12	Rosalia	36,719	((37,813 74,532))
13	Roslyn	64,571	((66,495 131,066))
14	Roy	1,709	((1,760 3,469))
15	Royal City	66,657	((68,643 135,300))
16	Ruston	50,309	((51,808 102,117))
17	Sammamish	2,361,433	((2,431,804 4,793,237))
18	Seatac	132,183	((136,122 268,305))
19	Seattle	3,189,346	((3,284,389 6,473,735))
20	Sedro-Woolley	54,896	((56,532 111,428))
21	Selah	80,704	((83,109 163,813))
22	Sequim	21,867	((22,519 44,386))
23	Shelton	58,160	((59,893 118,053))
24	Shoreline	1,485,138	((1,529,395 3,014,533))
25	Skykomish	1,417	((1,459 2,876))
26	Snohomish	40,722	((41,936 82,658))
27	Snoqualmie	9,587	((9,873 19,460))
28	Soap Lake	102,783	((105,846 208,629))
29	South Bend	75,826	((78,086 153,912))
30	South Cle Elum	46,847	((48,243 95,090))
31	South Prairie	18,788	((19,348 38,136))
32	Spangle	1,397	((1,439 2,836))
33	Spokane	1,116,419	((1,149,688 2,266,107))
34	Sprague	22,930	((23,613 46,543))
35	Springdale	11,080	((11,410 22,490))
36	St. John	4,245	((4,372 8,617))
37	Stanwood	21,141	((21,771 42,912))
38	Starbuck	8,949	((9,216 18,165))
39	Steilacoom	285,807	((294,324 580,131))
40	Stevenson	11,673	((12,021 23,694))
41	Sultan	63,199	((65,082 128,281))
42	Sumas	7,885	((8,120 16,005))
43	Sumner	41,931	((43,181 85,112))
44	Sunnyside	70,805	((72,915 143,720))
45	Tacoma	1,384,646	((1,425,908 2,810,554))
46	Tekoa	49,373	((50,844 100,217))
47	Tenino	68,820	((70,871 139,691))

1	Tieton	74,506	((76,726	151,232))
2	Toledo	8,084	((8,325	16,409))
3	Tonasket	5,500	((5,664	11,164))
4	Toppenish	443,488	((456,704	900,192))
5	Tukwila	75,320	((77,565	152,885))
6	Tumwater	61,848	((63,691	125,539))
7	Twisp	4,793	((4,936	9,729))
8	Union Gap	27,129	((27,937	55,066))
9	Uniontown	19,805	((20,395	40,200))
10	University Place	1,889,912	((1,946,231	3,836,143))
11	Vader	40,643	((41,854	82,497))
12	Vancouver	1,177,584	((1,212,676	2,390,260))
13	Waitsburg	81,097	((83,514	164,611))
14	Walla Walla	318,679	((328,176	646,855))
15	Wapato	230,783	((237,660	468,443))
16	Warden	105,612	((108,759	214,371))
17	Washougal	177,022	((182,297	359,319))
18	Washtucna	20,654	((21,269	41,923))
19	Waterville	72,880	((75,052	147,932))
20	Waverly	10,256	((10,562	20,818))
21	Wenatchee	147,602	((152,001	299,603))
22	West Richland	489,752	((504,347	994,099))
23	Westport	13,715	((14,124	27,839))
24	White Salmon	53,746	((55,348	109,094))
25	Wilbur	23,614	((24,318	47,932))
26	Wilkeson	18,762	((19,321	38,083))
27	Wilson Creek	18,403	((18,951	37,354))
28	Winlock	35,212	((36,261	71,473))
29	Winthrop	1,756	((1,808	3,564))
30	Woodinville	56,052	((57,722	113,774))
31	Woodland	17,960	((18,495	36,455))
32	Woodway	12,513	((12,886	25,399))
33	Yacolt	36,636	((37,728	74,364))
34	Yakima	487,766	((502,301	990,067))
35	Yarrow Point	32,121	((33,078	65,199))
36	Yelm	15,677	((16,144	31,821))
37	Zillah	100,818	((103,822	204,640))
38	TOTAL APPROPRIATIONS	45,545,942	((46,903,217	92,449,159))

39 (2) \$338,668 for fiscal year 2002 (~~and \$348,622 for fiscal year~~
40 ~~2003~~) from this appropriation (~~are~~) is provided solely to address
41 the contingencies listed in this subsection. The department shall
42 distribute the moneys no later than March 31, 2002, (~~and March 31,~~
43 ~~2003,~~) for the respective appropriations. Moneys shall be distributed
44 for the following purposes, ranked in order of priority:

1 (a) To correct for data errors in the determination of
2 distributions in subsection (1) of this section;

3 (b) To distribute to newly qualifying jurisdictions as if the
4 jurisdiction had been in existence prior to November 1999;

5 (c) To allocate under emergency situations as determined by the
6 director of the department of community, trade, and economic
7 development in consultation with the association of Washington cities;
8 and

9 (d) After April 1(~~st of each year in the fiscal biennium ending~~
10 ~~June 30, 2003~~), 2001, any moneys remaining from the amounts provided
11 in this subsection shall be prorated and distributed to cities and
12 towns on the basis of the amounts distributed for emergency
13 considerations in November 2000 as provided in section 729, chapter 1,
14 Laws of 2000, 2nd sp. sess.

15 **Sec. 712.** 2001 2nd sp.s. c 7 s 729 (uncodified) is amended to read
16 as follows:

17 **FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--**
18 **COUNTY PUBLIC HEALTH ASSISTANCE**

19 Health Services Account--State Appropriation . . \$ ((48,270,802))
20 36,035,651

21 The appropriation in this section is subject to the following
22 conditions and limitations: The director of the department of
23 community, trade, and economic development shall distribute the
24 appropriations to the following counties and health districts in the
25 amounts designated:

			2001-03
	FY 2002	FY 2003	Biennium
27 Health District			
28 Adams County Health District	30,824	((31,428)) <u>15,714</u>	((62,252)) <u>46,538</u>
29 Asotin County Health District	65,375	((70,818)) <u>35,409</u>	((136,193)) <u>100,784</u>
30 Benton-Franklin Health District	1,147,987	((1,196,390)) <u>598,195</u>	((2,344,377)) <u>1,746,182</u>
31 Chelan-Douglas Health District	176,979	((194,628)) <u>97,314</u>	((371,607)) <u>274,293</u>
32 Clallam County Health and Human Services Department	140,557	((144,547)) <u>72,274</u>	((285,104)) <u>212,831</u>
33 Southwest Washington Health District	1,067,962	((1,113,221)) <u>556,611</u>	((2,181,183)) <u>1,624,573</u>
34 Columbia County Health District	40,362	((41,153)) <u>20,577</u>	((81,515)) <u>60,939</u>
35 Cowlitz County Health Department	273,147	((287,116)) <u>143,558</u>	((560,263)) <u>416,705</u>
36 Garfield County Health District	14,966	((15,259)) <u>7,630</u>	((30,225)) <u>22,596</u>
37 Grant County Health District	111,767	((126,762)) <u>63,381</u>	((238,529)) <u>175,148</u>
38 Grays Harbor Health Department	183,113	((186,702)) <u>93,351</u>	((369,815)) <u>276,464</u>
39 Island County Health Department	86,600	((98,221)) <u>49,111</u>	((184,821)) <u>135,711</u>

1	Jefferson County Health and Human Services	82,856	(89,676)	<u>44,838</u>	((172,532))	<u>127,694</u>
2	Seattle-King County Department of Public Health	9,489,273	((9,681,772))	<u>4,840,886</u>	((19,171,045))	<u>14,330,159</u>
3	Bremerton-Kitsap County Health District	551,913	((563,683))	<u>281,842</u>	((1,115,596))	<u>833,755</u>
4	Kittitas County Health Department	87,822	((98,219))	<u>49,110</u>	((186,041))	<u>136,932</u>
5	Klickitat County Health Department	57,872	((67,636))	<u>33,818</u>	((125,508))	<u>91,690</u>
6	Lewis County Health Department	103,978	((108,817))	<u>54,409</u>	((212,795))	<u>158,387</u>
7	Lincoln County Health Department	26,821	((32,924))	<u>16,462</u>	((59,745))	<u>43,283</u>
8	Mason County Department of Health Services	91,638	((101,422))	<u>50,711</u>	((193,060))	<u>142,349</u>
9	Okanogan County Health District	62,844	((64,788))	<u>32,394</u>	((127,632))	<u>95,238</u>
10	Pacific County Health Department	77,108	((78,619))	<u>39,310</u>	((155,727))	<u>116,418</u>
11	Tacoma-Pierce County Health Department	2,802,613	((2,870,392))	<u>1,435,196</u>	((5,673,005))	<u>4,247,809</u>
12	San Juan County Health and Community Services	35,211	((40,274))	<u>20,137</u>	((75,485))	<u>55,348</u>
13	Skagit County Health Department	215,464	((234,917))	<u>117,459</u>	((450,381))	<u>332,923</u>
14	Snohomish Health District	2,238,523	((2,303,371))	<u>1,151,686</u>	((4,541,894))	<u>3,390,209</u>
15	Spokane County Health District	2,091,092	((2,135,477))	<u>1,067,739</u>	((4,226,569))	<u>3,158,831</u>
16	Northeast Tri-County Health District	106,019	((116,135))	<u>58,068</u>	((222,154))	<u>164,087</u>
17	Thurston County Health Department	593,358	((614,255))	<u>307,128</u>	((1,207,613))	<u>900,486</u>
18	Wahkiakum County Health Department	13,715	((13,984))	<u>6,992</u>	((27,699))	<u>20,707</u>
19	Walla Walla County-City Health Department	170,852	((175,213))	<u>87,607</u>	((346,065))	<u>258,459</u>
20	Whatcom County Health Department	846,015	((875,369))	<u>437,685</u>	((1,721,384))	<u>1,283,700</u>
21	Whitman County Health Department	78,081	((80,274))	<u>40,137</u>	((158,355))	<u>118,218</u>
22	Yakima Health District	617,792	((636,841))	<u>318,421</u>	((1,254,633))	<u>936,213</u>
23	TOTAL APPROPRIATIONS	\$23,780,499	((24,490,303))	<u>\$12,245,152</u>	((48,270,802))	<u>\$36,035,651</u>

24 **Sec. 713.** 2001 2nd sp.s. c 7 s 730 (uncodified) is amended to read
25 as follows:

26 **FOR THE LIABILITY ACCOUNT**

27	<u>General Fund--State Appropriation (FY 2002)</u>	. . . . .	\$	<u>12,000,000</u>
28	<u>General Fund--State Appropriation (FY 2003)</u>	. . . . .	\$	<u>((6,392,000))</u>
29				<u>19,392,000</u>
30	<u>((State Surplus Assets Reserve Fund--State</u>			
31	<u>Appropriation</u>	. . . . .	\$	<u>25,000,000))</u>
32	TOTAL APPROPRIATION	. . . . .	\$	<u>31,392,000</u>

33 The appropriations in this section are provided solely for deposit
34 in the liability account.

35 **NEW SECTION. Sec. 714.** A new section is added to 2001 2nd sp.s.
36 c 7 (uncodified) to read as follows:

37 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may
38 be necessary, are appropriated from the general fund, unless otherwise
39 indicated, for relief of various individuals, firms, and corporations
40 for sundry claims. These appropriations are to be disbursed on

1 vouchers approved by the director of general administration, except as
2 otherwise provided, as follows:

3 (1) Reimbursement of criminal defendants acquitted on the basis of
4 self-defense, pursuant to RCW 9A.16.110:

5	(a) Eythor Westman, claim number SCJ 02-01	\$ 7,000
6	(b) Stacey Julian, claim number SCJ 02-02	\$ 59,136
7	(c) Christopher Denney, claim number SCJ 02-03	\$ 11,598
8	(d) Onofre Vasquez, claim number SCJ 02-04	\$ 200
9	(e) William Voorhees, claim number SCJ 02-05	\$ 3,694
10	(f) Glenn Rowlison, claim number SCJ 02-06	\$ 14,395
11	(g) Frankie Doerr, claim number SCJ 02-07	\$ 9,100
12	(h) Ralph Howard, claim number SCJ 00-09	\$ 84,436
13	(i) Johnny Adams, claim number SCJ 01-17	\$ 11,916

14 (2) Payment from the state wildlife account for damage to crops by
15 wildlife, pursuant to RCW 77.36.050:

16	(a) Ronald Palmer, claim number SCG 02-01	\$ 1,522
17	(b) Keith Morris, claim number SCG 02-02	\$ 1,315
18	(c) Edgar Roush, claim number SCG 02-03	\$ 1,459

19 (End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2001 2nd sp.s. c 7 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance		
premium distributions	\$	((6,528,600))
		<u>7,526,700</u>
General Fund Appropriation for public utility		
district excise tax distributions	\$	((36,427,306))
		<u>34,754,723</u>
General Fund Appropriation for prosecuting		
attorney distributions	\$	((3,090,000))
		<u>3,110,000</u>
General Fund Appropriation for boating safety/ education and law enforcement		
distributions	\$	3,780,000
General Fund Appropriation for other tax		
distributions	\$	((39,566))
		<u>1,951,556</u>
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies	\$	1,621,537
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue		
distribution	\$	147,500
Timber Tax Distribution Account Appropriation for distribution to "timber" counties	\$	((68,562,000))
		<u>57,405,032</u>
County Criminal Justice Assistance Appropriation	\$	49,835,213
Municipal Criminal Justice Assistance Appropriation	\$	19,988,097
Liquor Excise Tax Account Appropriation for liquor excise tax distribution	\$	28,659,331
Liquor Revolving Account Appropriation for		

1	liquor profits distribution	\$	((55,344,817))
2			<u>59,898,641</u>
3	TOTAL APPROPRIATION	\$	((274,023,967))
4			<u>268,678,330</u>

5 The total expenditures from the state treasury under the
6 appropriations in this section shall not exceed the funds available
7 under statutory distributions for the stated purposes.

8 **Sec. 802.** 2001 2nd sp.s. c 7 s 805 (uncodified) is amended to read
9 as follows:

10 **FOR THE STATE TREASURER--TRANSFERS**

11 Public Facilities Construction Loan and
12 Grant Revolving Account: For transfer
13 to the digital government revolving account
14 on or before December 31, 2001 \$ 1,418,456

15 Financial Services Regulation Fund: To be
16 transferred from the financial services
17 regulation fund to the digital government
18 revolving account during the period
19 between July 1, 2001, and December 31,
20 2001 \$ 2,000,000

21 Local Toxics Control Account: For transfer
22 to the state toxics control account.
23 Transferred funds will be utilized
24 for methamphetamine lab cleanup, to
25 address areawide soil contamination
26 problems, and clean up contaminated
27 sites as part of the clean sites
28 initiative \$ 6,000,000

29 State Toxics Control Account: For transfer
30 to the water quality account for water
31 quality related projects funded in the
32 capital budget \$ 9,000,000

33 General Fund: For transfer to the flood
34 control assistance account \$ 4,000,000

35 Water Quality Account: For transfer to the
36 water pollution control account. Transfers
37 shall be made at intervals coinciding with
38 deposits of federal capitalization grant

1	money into the account. The amounts	
2	transferred shall not exceed the match	
3	required for each federal deposit	\$ 12,564,487
4	<u>Health Services Account: For transfer</u>	
5	<u>to the water quality account</u>	\$ 6,447,500
6	<u>Local Toxics Control Account: For transfer</u>	
7	<u>to the water quality account on or</u>	
8	<u>before June 30, 2003</u>	\$ 8,200,000
9	<u>State Drought Preparedness Account: For</u>	
10	<u>transfer to the general fund on or</u>	
11	<u>before June 30, 2003. Pursuant to</u>	
12	<u>RCW 43.135.035(5), the state</u>	
13	<u>expenditure limit shall be increased</u>	
14	<u>in fiscal year 2003 to reflect this</u>	
15	<u>transfer</u>	\$ 3,000,000
16	<u>Tobacco Prevention and Control Account:</u>	
17	<u>For transfer to the general fund.</u>	
18	<u>Pursuant to RCW 43.135.035(5), the</u>	
19	<u>state expenditure limit shall be</u>	
20	<u>increased in fiscal years 2002 and</u>	
21	<u>2003 to reflect this transfer</u>	\$ 21,227,066
22	<u>State Treasurer's Service Account: For</u>	
23	<u>transfer to the general fund on or</u>	
24	<u>before June 30, 2003, an amount in excess</u>	
25	<u>of the cash requirements of the state</u>	
26	<u>treasurer's service account. Pursuant to</u>	
27	<u>RCW 43.135.035(5), the state expenditure</u>	
28	<u>limit shall be increased in fiscal</u>	
29	<u>year 2003 to reflect this transfer</u>	\$ ((8,000,000))
30		<u>12,393,000</u>
31	<u>Public Works Assistance Account: For</u>	
32	<u>transfer to the drinking water</u>	
33	<u>assistance account</u>	\$ 7,700,000
34	<u>Tobacco Settlement Account: For transfer</u>	
35	<u>to the health services account, in an</u>	
36	<u>amount not to exceed the actual balance</u>	
37	<u>of the tobacco settlement account</u>	\$ ((310,000,000))
38		<u>303,000,000</u>
39	<u>General Fund: For transfer to the water quality</u>	

1	account	\$	((60,325,000))
2			<u>63,080,372</u>
3	Health Services Account: For		
4	transfer to the state general fund		
5	by June 30, 2002. Pursuant to RCW		
6	43.135.035(5), the state expenditure		
7	limit shall be increased in fiscal		
8	year 2002 to reflect this transfer	\$	130,000,000
9	Health Services Account: For		
10	transfer to the state general fund		
11	((by)) <u>on</u> June ((30)) <u>28</u> , 2003. Pursuant		
12	to RCW 43.135.035(5), the state expenditure		
13	limit shall be increased in fiscal		
14	year 2003 to reflect this transfer	\$	((20,000,000))
15			<u>232,245,000</u>
16	State Surplus Assets Reserve Fund: For		
17	transfer to the multimodal transportation		
18	account by June 30, 2002	\$	70,000,000
19	Multimodal Transportation Account: For		
20	transfer to the state general fund		
21	by June 30, 2002. Pursuant to RCW		
22	43.135.035(5), the state expenditure		
23	limit shall be increased in fiscal		
24	year 2002 to reflect this transfer	\$	70,000,000
25	<u>Local Toxics Control Account: For transfer</u>		
26	<u>to the oil spill prevention account on</u>		
27	<u>or before June 30, 2003</u>	\$	<u>1,400,000</u>
28	<u>Health Service Account: For transfer</u>		
29	<u>to the violence reduction and drug</u>		
30	<u>enforcement account</u>	\$	<u>6,497,500</u>
31	<u>Health Services Account: For transfer</u>		
32	<u>to the tobacco prevention and</u>		
33	<u>control account</u>	\$	<u>21,227,066</u>
34	<u>Gambling Revolving Account: For transfer</u>		
35	<u>to the general fund on or before</u>		
36	<u>June 30, 2003. Pursuant to</u>		
37	<u>RCW 43.135.035(5), the state</u>		
38	<u>expenditure limit shall be increased</u>		
39	<u>in fiscal year 2003 to reflect</u>		

1	<u>this transfer</u>	\$	<u>2,000,000</u>
2	<u>Industrial Insurance Premium Refund</u>		
3	<u>Account: For transfer to the</u>		
4	<u>general fund on or before</u>		
5	<u>June 30, 2002. Pursuant</u>		
6	<u>to RCW 43.135.035(5), the</u>		
7	<u>state expenditure limit shall</u>		
8	<u>be increased in fiscal year</u>		
9	<u>2002 to reflect this transfer</u>	\$	<u>1,000,000</u>
10	<u>Financial Services Regulation</u>		
11	<u>Account: For transfer to the</u>		
12	<u>general fund on or before</u>		
13	<u>June 30, 2002. Pursuant to</u>		
14	<u>RCW 43.135.035(5), the state</u>		
15	<u>expenditure limit shall be</u>		
16	<u>increased in fiscal year 2002</u>		
17	<u>to reflect this transfer</u>	\$	<u>2,250,000</u>
18	<u>Nisqually Earthquake Account:</u>		
19	<u>For transfer to the disaster</u>		
20	<u>response account</u>	\$	<u>16,800,000</u>

21 (End of part)

1 the proper regulation of individuals and entities subject to regulation
2 by the department. The state treasurer shall be the custodian of the
3 fund. Disbursements from the fund shall be on authorization of the
4 director of financial institutions or the director's designee. In
5 order to maintain an effective expenditure and revenue control, the
6 fund shall be subject in all respects to chapter 43.88 RCW, but no
7 appropriation is required to permit expenditures and payment of
8 obligations from the fund.

9 Between July 1, 2001, and December 31, 2001, the legislature may
10 transfer up to two million dollars from the financial services
11 regulation fund to the (~~state general fund~~) digital government
12 revolving account.

13 **Sec. 904.** RCW 70.146.030 and 2001 2nd sp.s. c 7 s 922 are each
14 amended to read as follows:

15 (1) The water quality account is hereby created in the state
16 treasury. Moneys in the account may be used only in a manner
17 consistent with this chapter. Moneys deposited in the account shall be
18 administered by the department of ecology and shall be subject to
19 legislative appropriation. Moneys placed in the account shall include
20 tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390,
21 principal and interest from the repayment of any loans granted pursuant
22 to this chapter, and any other moneys appropriated to the account by
23 the legislature.

24 (2) The department may use or permit the use of any moneys in the
25 account to make grants or loans to public bodies, including grants to
26 public bodies as cost-sharing moneys in any case where federal, local,
27 or other funds are made available on a cost-sharing basis, for water
28 pollution control facilities and activities, or for purposes of
29 assisting a public body to obtain an ownership interest in water
30 pollution control facilities and/or to defray a part of the payments
31 made by a public body to a service provider under a service agreement
32 entered into pursuant to RCW 70.150.060, within the purposes of this
33 chapter and for related administrative expenses. For the period July
34 1, 2001, to June 30, 2003, moneys in the account may be used to process
35 applications received by the department that seek to make changes to or
36 transfer existing water rights, for grants to public bodies for
37 watershed planning under chapter 90.82 RCW, regional water initiatives
38 in the Columbia river and central Puget Sound regions, and engineering

1 grants for conservation districts. No more than three percent of the
2 moneys deposited in the account may be used by the department to pay
3 for the administration of the grant and loan program authorized by this
4 chapter.

5 (3) Beginning with the biennium ending June 30, 1997, the
6 department shall present a biennial progress report on the use of
7 moneys from the account to the chairs of the senate committee on ways
8 and means and the house of representatives committee on appropriations.
9 The first report is due June 30, 1996, and the report for each
10 succeeding biennium is due December 31 of the odd-numbered year. The
11 report shall consist of a list of each recipient, project description,
12 and amount of the grant, loan, or both.

13 (4) During the fiscal biennium ending June 30, 1997, moneys in the
14 account may be transferred by the legislature to the water right permit
15 processing account.

16 NEW SECTION. **Sec. 905.** If any provision of this act or its
17 application to any person or circumstance is held invalid, the
18 remainder of the act or the application of the provision to other
19 persons or circumstances is not affected.

20 NEW SECTION. **Sec. 906.** This act is necessary for the immediate
21 preservation of the public peace, health, or safety, or support of the
22 state government and its existing public institutions, and takes effect
23 immediately.

24 (End of part)

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